

Public Standing of Israel's Top Leaders Takes a Nosedive

By Thomas L. Friedman
New York Times Service

JERUSALEM — Israel's largest newspaper, Yediot Ahronot, recently published a photo spread of the country's top three leaders that summed up the prevailing mood toward politicians here.

One picture showed Prime Minister Yitzhak Shamir covering his ears. The second picture showed Foreign Minister Shimon Peres covering his mouth, and the third showed Defense Minister Yitzhak Rabin hiding his eyes.

The caption read, "Everyone covering up for everyone," and no one needed any further explanation.

More than at any other time since Israel's coalition government was formed in September 1984, the Israeli public and political commentators have been expressing disappointment with their leaders. The main factor is the government's handling of a series of intelligence-related scandals.

The criticism goes beyond the normal level of complaining by the Israeli press and now includes more than a few voices wondering aloud whether Mr. Shamir, 71, Mr. Peres, 63, and Mr. Rabin, 65, have not been too long on the field of politics and might not benefit the country by stepping aside.

"It is doubtful that the public standing of the leadership has ever been as low as it is today," the commentator Abraham Schweitzer wrote in the newspaper Ha'aretz.

In a poll in January by Hanoch Smith, the percentage of Israelis



Prime Minister Yitzhak Shamir, right, with Shimon Peres.

expressing support for the coalition government had fallen to 43 percent, from 61 percent three months earlier.

What has been so disturbing to political commentators and the

tors assert, the three leaders denied any knowledge of wrongdoing under their ministerial responsibility; handled the affairs in a way that was embarrassing for Israel and legally questionable, and blocked any serious challenge of their behavior by choosing not to criticize one another.

Ordinarily they would have been immediately called to account by the opposition. But Likud and Labor are united in a "national unity" coalition that has such an overwhelming majority in the Knesset, Israel's parliament, that they do not have to worry about a vote of no confidence as long as they stick together.

Mr. Shamir, Mr. Peres and Mr. Rabin, the Yediot commentator Yeshayahu Ben Porath noted, are "trapped and tied up and involved amongst themselves in a complex knit of spider webs."

Mr. Ben Porath asserted that in the Shin Bet scandal, in which Israel's domestic intelligence service was found to have slain two Palestinian bus hijackers in custody in April 1984, Mr. Peres and Mr. Rabin sided with Mr. Shamir, who was prime minister when the killings occurred, in protecting the head of Shin Bet from any punishment.

They then united to dismiss the attorney general who wanted to investigate the case, the commentator added, and they arranged pardons for the security officials involved.

In the Iran affair, Mr. Ben Porath said, Mr. Shamir returned the favor by standing up for the

decisions made by Mr. Peres and Mr. Rabin to involve Israel in an arms-for-hostages arrangement with Iran.

In the Washington espionage case involving Jonathan Jay Pollard, Mr. Ben Porath went on, "the mutual dependence and cover-up, and refusal to investigate or be investigated, reached supreme perfection."

All three leaders, he added, backed each other in asserting that they knew nothing of the Israeli spying operation, in supporting the promotion of the Israeli officials involved in the espionage and in arranging for a belated and watered-down investigation by a two-member committee.

In an open letter to the American people in Ha'aretz, the commentator B. Michael wrote: "My dear America, make a clear distinction between the citizens of Israel and the government of Israel. We are not they and they are not we."

Referring not only to the intelligence cases but to the 1982 massacres at the Lebanese refugee districts of Sabra and Chatila as well, he went on to say of Israel's leaders:

"This is the fourth or fifth time they are trying to sell me the miserable jingle: 'We did not know, did not hear, did not see, did not report and we are not responsible.' Pollard, Iran, Shin Bet, Sabra and Chatila — we're just ministers. No one tells us anything. And they continue to sit on their chairs. If my IQ were not greater than the speed

limit inside the city, I might buy this once, twice, even three times — but not five."

"I hope, America," he continued, "you are beginning to understand that I am also insulted just like you. According to accepted democratic reasoning, it would be time for these men to pack their bags and go home. But the reality here is that prime ministers and people with top postings are changed only when one can find an alternative that is worse."

In an article titled "Three Wise Monkeys," Yosef Goell, an editorial writer for The Jerusalem Post, stated: "The real cause for concern is that the conscious determination not to know too much, the failure to exercise effective control over the bodies officially responsible to them and the propensity for bad judgment evinced by our top leaders in the Pollard affair was not a one-time affair but the catastrophic continuation of a long-term pattern."

What makes the current situation even more unusual is that the banding together of Mr. Peres, Mr. Shamir and Mr. Rabin comes at a time of heightened political tensions among them. Mr. Shamir and Mr. Peres are barely on speaking terms over political differences, and relations between Mr. Rabin and Mr. Peres are not much better.

But for now, Mr. Peres, Mr. Shamir and Mr. Rabin are sticking together in opposing any new elections, at least until the latest affairs blow over.

WORLD BRIEFS

Russian Says Economic Data Padded

MOSCOW (Reuters) — A leading Soviet economist said Wednesday that the padding of figures was inflating the country's industrial production data by at least 3 percent.

"According to the information of state monitoring organs, the padding of figures makes up one and a half to 3 percent of the volume of production," Alexei Sergeev told the newspaper Sovetskaya Rossiya. "In my opinion, it is significantly higher," said Mr. Sergeev, who works at the Economics Institute of the Soviet Union's Academy of Sciences.

Western economists have for years allowed for padding of figures when analyzing Soviet statistics for industrial production. Mr. Sergeev said about 600 million rubles (\$900 million) was lost annually in raw material industries because of wages and bonuses paid for work that was not done. He said the elimination of padding and other malpractices would save enough to pay for the Soviet Union's entire social development program up to the year 2000.

Senate Expected to Uphold Contra Aid

WASHINGTON (AP) — As the Senate neared a vote Wednesday on legislation to stop \$40 million in aid for the Nicaraguan rebels, the Senate majority leader, Robert C. Byrd, predicted that President Ronald Reagan would win this round.

"We're going to lose today," Mr. Byrd, Democrat of West Virginia, said. "I don't think the disapproval resolution will be adopted." Asked about the vote outlook during a photo session at the White House, the Senate Republican leader, Bob Dole, of Kansas, who supports the aid, raised his thumb.

Both sides agreed the vote would be very close and that Mr. Reagan probably could get the \$40 million for the rebels, who are also known as Contras, by vetoing the legislation disapproving it. However, if the vote could set the stage for a total aid cutoff for the next fiscal year.

Palestinian Groups Set April Meeting

AMMAN, Jordan (NYT) — Five Palestinian factions have agreed to hold a session of the Palestinian parliament in exile April 20 in an effort to reunify the Palestine Liberation Organization, according to Palestinian officials contacted by telephone in Tunis.

The PLO chairman, Yasser Arafat, who endorsed the accord last weekend, arrived in Algeria on Tuesday to inform President Chad Bendjedid of the agreement and to seek his approval to hold the 19th session of the parliament, the Palestine National Council, in Algiers.

The agreement to meet was endorsed by two hard-line factions based in Damascus: the Democratic Front for the Liberation of Palestine and the Palestine Communist Party. The accord was also supported by the pro-Arafat Arab Liberation Front, the Palestine Liberation Front, and the Popular Front for the Liberation of Palestine, which have not endorsed the agreement, but Palestinian officials expect they will.

U.S. Aviation Agency Chief to Retire

WASHINGTON (AP) — Donald Engen, who has led the Federal Aviation Administration during three of the airline industry's most tumultuous years, announced Wednesday he plans to resign in July and return to private business.

Mr. Engen, 62, gave no reason for his decision to leave the agency, which regulates aviation safety. He has been its administrator since April 1984. For two prior years, he was a member of the National Transportation Safety Board, which investigates accidents.

A retired vice admiral and test pilot, Mr. Engen was given high marks by members of Congress for managing the aviation agency. Nevertheless, the agency has been criticized often for moving too slowly on safety matters, including the rebojting of the air traffic control system since President Ronald Reagan dismissed striking controllers in August 1981.

For the Record

Gilbert Péro, the French ambassador to Japan, was appointed secretary-general of the French Ministry for Foreign Affairs, it was announced Wednesday in Paris. Mr. Péro, 60, a career diplomat, will be the ministry's top permanent official. (AP)

U.S. leaders of the Roman Catholic Church began three days of talks with Pope John Paul II and his top advisers on Wednesday at the Vatican. The talks are intended to set the tone and agenda for the pope's 10-day visit to the United States in September. (AP)

7 Asian Nations Act to End Counterfeiting of Goods

By Michael Richardson
International Herald Tribune

SINGAPORE — Seven East Asian nations, threatened with loss of U.S. trade preferences and Western investment, are acting to curb the counterfeit production of goods ranging from computer software to books, perfume and watches.

Western officials claim that the copying, often called piracy, is costing legitimate producers hundreds of millions of dollars a year in lost revenues.

In Bangkok, for example, roadside stalls throughout the city offer the shopper an array of pirated goods, including the latest cassette tapes for about \$1, knitted "La-Coste" shirts for \$1.50 and "Rolex" watches for \$10 and up.

But now, seven countries, including Thailand, have enacted tougher anti-piracy laws, or have agreed to do so. The others are Singapore, South Korea, Taiwan, Malaysia, the Philippines and Indonesia.

U.S. officials have said that successful negotiations with East Asian nations will strengthen Western efforts to protect patents, copyrights, trade marks and other intellectual property rights else-

where in Asia, Latin America, the Middle East and Turkey.

Michael B. Smith, a deputy U.S. trade representative, said last month that countries failing to provide protection for intellectual property rights risked losing duty-free benefits under the U.S. "generalized system of preferences."

The Reagan administration, he said, was reviewing the status of Indonesia because of practices relating to copyright protection and that a decision was due April 1.

However, other U.S. sources said they doubted punitive action would be taken by Washington because it beveled the Indonesian government was pressing ahead with a new bill to protect intellectual property rights.

The generalized system of preferences offers preferential access to the U.S. market for developing and newly industrialized nations.

Major beneficiaries include Taiwan, South Korea, Brazil, Mexico, Hong Kong and Singapore. Eligible imports into the United States from these countries will be worth \$7.2 billion in the year beginning July 1.

U.S. officials said Indonesia's

preferences were worth about \$27 million a year.

Western business houses, entrepreneurs, artists and authors have frequently complained about counterfeiting of their products in East Asia for local sale and export.

Items being reproduced without a license and sold for a fraction of the price of the original include computer software, audio and video cassettes, books, fashion clothing, leather goods, wristwatches, chemicals, pharmaceuticals, liquor and motor vehicle spare parts.

The U.S. International Trade Commission has estimated that counterfeiting worldwide cost the United States alone as much as \$20 billion a year. Western officials said East Asia was a substantial part of this global problem.

The United States has led the campaign against piracy in East Asia over the past few years, frequently raising the issue at a high level in official negotiations with regional governments.

Industry organizations and governments in Britain, France and other Western countries have also made representations.

Sources involved in these negoti-

ations said that East Asian countries were told that if laws on intellectual property continued to be inadequate it would be a deterrent to foreign investment.

U.S. officials list these successes in the anti-piracy campaign:

- Singapore is about to apply a new copyright law as part of a crackdown on unauthorized copying of audio and video cassettes, books and computer software. Breaches of the law carry penalties of up to five years in jail and a fine of up to \$47,000. The United States and Singapore have also agreed to implement mutual copyright protection.
- Malaysia has drafted a copyright law that is due to be considered soon by Parliament. Last year the government enacted a new patent law that covers pharmaceutical and chemical products, as well as a tough trademark law.
- The Philippines has made a commitment to better enforcement of its intellectual property laws. The laws are considered adequate by Washington.
- South Korea enacted legislation in December establishing a comprehensive copyright system,

including protection for computer software. Increased patent protection for chemicals and pharmaceuticals has also been promised.

- Taiwan has broadened copyright and patent laws and proposed legislation that would improve protection against counterfeiting through infringement of trademarks.
- Thailand has announced that its copyright law will be revised consistent with U.S. laws and that it intends to submit amendments to parliament extending protection under trademark law.

Washington has said it will continue to press Thailand for product and patent protection for chemicals and pharmaceuticals, which are not covered by the patent law.

Indonesia is not a signatory to any international copyright agreement and copying of cassette tapes, video tapes, computer software products and books is thriving.

But the Indonesian government last month took advice from a United Nations agency on drafting anti-piracy legislation, which the cabinet secretary, Mardiono, said could be approved by parliament in a few months.

Seoul Rejects Bid by North Over Talks

New York Times Service

SEOUL — South Korea has formally rebuffed a North Korean bid for direct talks, saying the proposal was insincere.

In a letter Tuesday to North Korean representatives at Panmunjom, the truce village in the demilitarized zone, South Korea countered with a proposal for three sets of talks, the first of which it said should begin within two weeks.

A government spokesman insisted that Seoul's reply was not a rejection but a "comprehensive counterproposal." There was no immediate response from Pyongyang, which made its offer March 3.

The United States has been trying to get the antagonists back to the bargaining table. North Korea walked out of talks last spring, asserting that routine military maneuvers by the United States and South Korea were preparations for a nuclear attack.

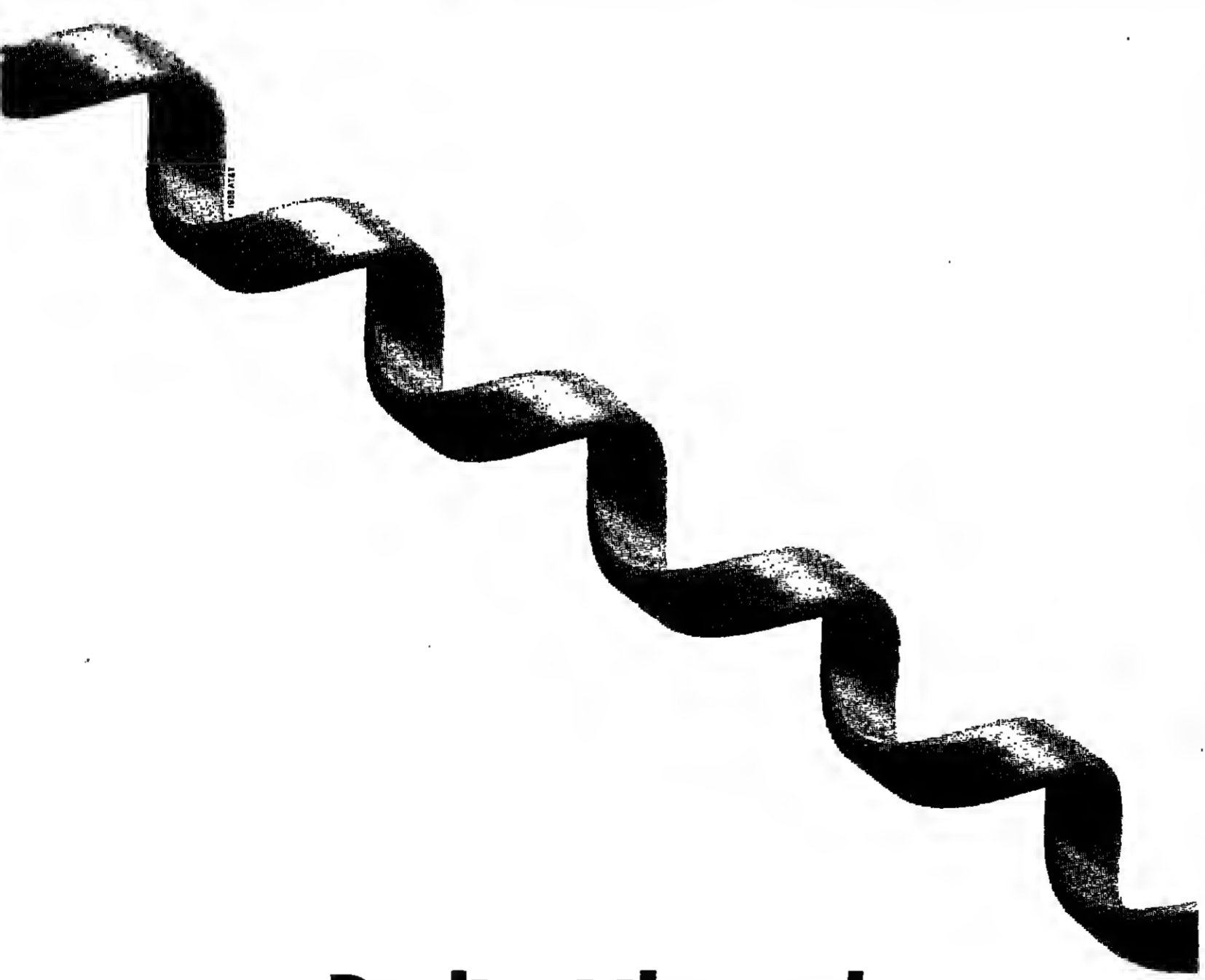
South Korea has been insisting that the only way North Korea could demonstrate its sincerity was by agreeing to resume the suspended talks.

South Korean and foreign analysts were divided Tuesday on the significance of the exchange, saying it was still unclear whether Seoul had hardened its position or moved to meet North Korea halfway.

"Procedurally, they're not very far apart," a Western diplomat said. "The problem is that there is such deep antagonism and suspicion."

In its latest proposal, North Korea said it was willing to resume talks — on family reunification, economic cooperation and parliamentary exchanges — if South Korea agreed to simultaneous negotiations on military and political matters.

It also offered to discuss a large hydroelectric project under way just north of the demilitarized zone. South Korean officials insist that the project, the Kungungang Dam, poses a flood threat to Seoul and must be halted.



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I... I DON'T KNOW WHY THE SUN SHINES ANYMORE, RA.

RA DRIPS OUT THE SUN.

YOU WHAT?

EVEN THEN, I KNEW TO TAKE CARE OF MYSELF.

BOOPHEP IS YOUR BATHING SUIT TOO TIGHT?

هكذا من النحل

Rehnquist Turns Down Deaver's Bid to Block Criminal Indictment

The Associated Press
 WASHINGTON — Chief Justice William H. Rehnquist of the Supreme Court rejected Wednesday an emergency request by Michael K. Deaver aimed at preventing a criminal indictment against the former White House aide.

Lawyers for Mr. Deaver asked Justice Rehnquist on Tuesday to block a special prosecutor, Whitney North Seymour Jr., from seeking a grand jury vote on whether to indict Mr. Deaver for perjury.

They asked that no action be taken while the Washington lobbyist pursued his claim that the law establishing the office of independent counsel, as the prosecutor is formally known, is unconstitutional.

In a brief order, Justice Rehnquist turned down the request. He said that Mr. Deaver had not proved that his case merits such a stay.

Randall Turk, one of Mr. Deaver's attorneys, had no immediate comment on the ruling but said the defense team would not approach any other Supreme Court justice for an appeal.

Mr. Seymour declined to say when he would approach a federal grand jury. During Mr. Seymour's investigation, however, the jury normally met on Wednesdays.

Mr. Seymour announced Feb. 25 that he was ready to seek a vote on four perjury counts against Mr. Deaver. But he has been blocked

from doing so by emergency orders, first by U.S. District Judge Thomas Penfield Jackson and then by the appellate panel.

A new order was requested from Justice Rehnquist after the appellate panel circuit judges dissolved their emergency stay in an order Tuesday. Mr. Jackson negated his order last week.

The appellate panel said that Mr. Deaver's case "constitutes an impermissible pre-emptive civil challenge to a criminal proceeding."

The appellate panel, in dismissing Mr. Deaver's challenge, expressed no opinion on his argument that only the executive branch could conduct criminal prosecutions. The independent counsel, established by the 1978 Ethics in Government Act, is appointed by a three-judge federal court.

In eight independent counsel investigations, four of them still active, no one has been indicted. The ethics law authorized such investigations to prevent administrations from investigating their own top officials.

Mr. Seymour was asked by the special three-judge court to investigate Mr. Deaver's lobbying activities after he left his post as deputy chief of staff to President Ronald Reagan in May 1985.

Federal laws restrict, and in some cases ban, former officials from lobbying on behalf of clients before federal agencies on matters they handled while in government.



ERIN GO BRAGH — Mayor Edward I. Koch of New York holding on to his cap and the hand of Maureen O'Hara, the actress, as they run on Fifth Avenue to catch up to the beginning of the city's annual St. Patrick's Day Parade, the world's biggest and oldest.

In N.Y., a Robot With a Badge

City Police Use Machines on Dangerous Assignments
 By Dennis Hevesi
New York Times Service

NEW YORK — The ranting man in the basement room of the Manhattan apartment building had fired half a dozen shots at police officers.

RMI 3 — a gangly creature with steel elbows and unblinking eyes, one glaring forward, the other to the rear — crept forward on its six-wheeled cart, electronically tethered to its master, an officer in a room down the hall.

"He was distraught," recalled Lieutenant Al Baker, the remote tactics coordinator for Emergency Squad 10. "He had fired numerous shots. But finally, he indicates he is going to surrender and throws out two handguns."

"As he's coming out, the robot is there," the lieutenant continued. "The operator is 50 feet away, in another room. And we have personnel in strategic locations."

Just as the man stepped through the doorway, a beam from a high-intensity light atop the robot blasted into his eyes. "It provided distraction for our people to move in and grab him," the lieutenant said. "It gave us milliseconds."

And the advantage proved fortunate. "They found a third gun in his waistband," Lieutenant Baker said. "Later, he told us he planned to use that gun against police."

That incident two years ago concluded precisely the way Lieutenant Baker envisions the end of all encounters involving Remote Mobile Investigator 3 and its brother contraption, RMI 4: No one was injured.

If the lieutenant had his way, robots would play an expanding role in such hostile confrontations. "Our people are called upon thousands of times to manage such situations," he said. "Other departments use the bomb squad robot. But this is a novel use of robots — for tactical use. We are writing the book on what a tactical robot should be."

The city police department has four robots, purchased in 1983 for \$22,000 each from Pedco Canada Ltd. Two are assigned to the bomb squad; the other two to emergency squads.

"There's a clear distinction between this robot and the ones used by the bomb squad," Lieutenant Baker said. "It's the application that's different. Our machine's purpose is to investigate hostile environments in place of a human. It's to take the senses of a police officer — eyes, ears, touch, even speech — and bring them into a dangerous situation. That keeps the police officer safe. You blow away a bucket of bolts, not the cop."

The robot, weighing 230 pounds (about 104 kilograms), is powered by two 12-volt batteries. Its front wheels move up and down separately from the rear wheels, Lieutenant Baker said, allowing it to climb a curb.

It has two remote-control television cameras. "The camera on top rotates 360 degrees," the lieutenant said. "And the backup camera provides rear view, or can be attached to the machine's arm in order. Let's say, to look under a car."

The robot is connected to its control cart by a 360-yard (328-meter) cable. Besides the television monitor, the cart carries one end of the two-way audio system used for communicating with suspects.

"It has two hydraulically powered arms," the lieutenant said. "It can drag a human being, up to 350 pounds."

"It can pick up a small object, that spoon, for instance," he said, pointing toward his coffee cup. "Or, we can use it as a negotiator, if a person is apt to fire through a door."

Can it fire a gun?

"Yes!" Lieutenant Baker said, declining to provide details.

"If you go across the country," he said, "and ask how many cops get killed in dangerous situations — about 100 a year — the next question is how many situations could have been managed by machines. If I save 2 percent of them, that's two guys. I'll take it. And I suspect the percentage will be greater as we perfect the techniques."

Suicides Prompt Imitation by U.S. Youths

By Daniel Goleman
New York Times Service

NEW YORK — The suicide attempt Tuesday morning by two young people in Bergenfield, New Jersey, which closely copied the deaths of four teen-agers last week, fits a pattern of imitation that often comes after well-publicized suicides, according to experts.

"Hearing about a suicide moves those teen-agers at risk closer to doing it themselves," said David Shaffer, a professor of child psychiatry at Columbia University and the head of the Suicide Research Unit at the New York State Psychiatric Institute.

"The news coverage of teen-age suicides can portray the victims as martyrs of sorts," Mr. Shaffer said. "The more sentimentalized it is, the more legitimate — even heroic — it may seem to some teen-agers."

"The tendency of disturbed young people to imitate highly publicized suicides is called the 'Werther Syndrome,' after the protagonist in Goethe's novel, 'The Sorrows of Young Werther.'"

The novel, in which the hero kills himself, was banned in some European countries after its publication more than 200 years ago because of a rash of suicides by young men who had read it. Some had dressed

like Werther or had left the book open to the passage detailing his death when they killed themselves.

"Teen-agers are highly imitative, influenced by fads and fashions in general," said David Phillips, a sociologist at the University of California at San Diego, who has studied the Werther Syndrome since 1974.

In a series of studies, Mr. Phillips found that there was a significant rise in suicides after a well-publicized case. The increase was greatest among teen-agers, regardless of the age of the first victim, he said.

A nationally publicized suicide, he found, increased the suicide rate over the next month by about 2 percent on average — an additional 58 cases — and about 7 percent among teen-agers. The suicide of a famous person had an even greater effect; after Marilyn Monroe's death in 1962, the rate rose by 12 percent.

"Hearing about a suicide seems to make those who are vulnerable feel they have permission to do it," Mr. Phillips said.

In a study at the University of Pennsylvania, college students who had attempted suicide were most

The more sentimentalized a suicide is, the more legitimate — even heroic — it may seem to some teen-agers.

— David Shaffer, child psychiatrist

French Fishing Vessels Barred From Canadian Waters, Ports

Compiled by Our Staff From Dispatches
OTTAWA — Canada has closed its ports to French fishing vessels and threatened to arrest crews of any French boats found in waters off Newfoundland that the Canadians say have been overfished.

Fisheries Minister Tom Siddon announced the measures, the latest move in a long-running boundary dispute, on Tuesday. He said France had exceeded the 6,400 metric ton annual quota set by the Canadian government for French boats operating in the Burgeo Bank south of Newfoundland.

In Paris, a Foreign Ministry statement Wednesday described the decision as "unjustified and contrary to international law and commitments made by Canada." It called on Canada to re-examine its position.

"The French government strongly protests against the closing of Canadian ports to French fishing vessels and against the fishing ban decided by Canada on the Burgeo Bank," the statement said.

The Foreign Ministry said the measure would have a negative effect on fishing negotiations being held between Ottawa and Paris.

In January, Canada and France concluded an interim fishing accord, opposed by fishermen in both countries, allowing France to increase its cod quota by about 15,000 tons during 1987.

Under the accord, Canada and France also agreed to refer differences over a maritime boundary zone near the French islands of Saint Pierre and Miquelon to international arbitration.

(AP, Reuters)

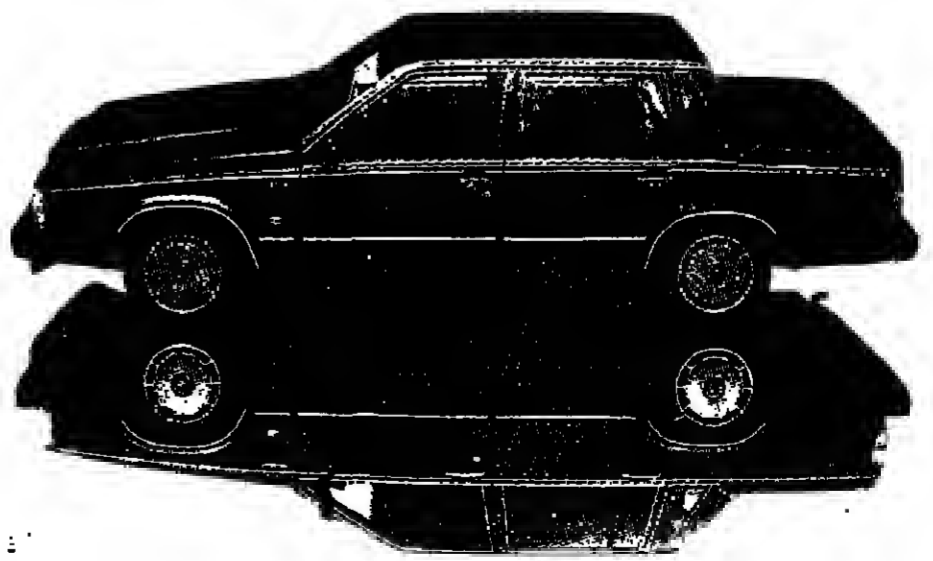
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Kohl Seems an Eager Listener As East-West Contacts Increase

By James M. Markham
New York Times Service

BONN — Contacts between East and West Germany have intensified in the last week amid indications that Mikhail S. Gorbachev is interested in winning West Germany's support for the Soviet proposal to withdraw all medium-range missiles from Europe.

Western diplomats in Bonn say that Chancellor Helmut Kohl, facing a series of tough state elections, appears eager for some kind of breakthrough with East Germany, particularly as other foreign policy areas offer few prospects for success. They say this has made him more willing to listen to overtures from East Berlin and Moscow.

On Wednesday, in a policy speech outlining the plans of his center-right coalition for the next four years, he called for the intensification of relations with the Soviet Union and urged the swift conclusion of a U.S.-Soviet accord banning medium-range missiles from Europe.

Mr. Kohl told the Bundestag that relations with the Soviet Union were of "central significance" to West Germany.

"General Secretary Gorbachev talks of a 'new thinking' in international relations," said Mr. Kohl, whose coalition was re-elected Jan. 25. "We take him at his word."

The heavy accent on ties with Moscow marked an important evolution in West Germany's approach to the Soviet Union, East Germany and Communist Europe.

Officials from the United States, France and Britain have expressed their anxiety about an invitation from Erich Honecker, the East German Communist leader, to Eberhard Diepgen, the Christian Democratic mayor of West Berlin, to attend festivities in East Berlin in October.

The allies are concerned that Mr. Diepgen's attendance at ceremonies marking the 750th anniversary of the founding of Berlin would amount to the recognition of East Berlin as the capital of East Germany. The three protecting powers fear such a step would erode their position in Berlin.

"You're in a very unclear phase," said a senior Allied diplomat, "where people are improvising and where a lot of things can go wrong. The East is playing some kind of game, looking tempting, and on the West German side the ability to be cool and disciplined is very difficult."

Mr. Diepgen joined a number of West German leaders this week who traveled to the Leipzig Fair to meet with Mr. Honecker. The visitors include Economics Minister Martin Bangemann, Lothar Spahr, the head of the southern Baden-Wuerttemberg state government, and Franz Josef Strauss, the Bavarian leader.

Mr. Strauss, who has been a vigorous proponent of closer economic ties with East Germany, caused a stir by asserting that the status of West Berlin should not become "a sacred cow that prevents mutual visits."

An American diplomat said: "When you've got Franz Josef Strauss calling the status of Berlin a sacred cow, that shows what kind of a situation we're in."

The Bavarian politician also revived speculation about a milestone visit to West Germany by Mr. Honecker, predicting that it would take place "in the second half of this year." In Bonn, officials insist that there are no plans to reschedule a trip that was scuttled by Soviet pressure in 1984.

After consultations with Bonn, Mr. Diepgen has invited Mr. Honecker to attend West Berlin's 750th anniversary celebrations April 30, which will be presided over by Mr. Kohl and President Richard von Weizsäcker. Accepting this invitation would acknowledge West Berlin's linkage to the Federal Republic, something the Russians and the East Germans have been reluctant to do.

The Soviet Union is regarded here as keenly interested in consolidating the Kohl government's support for the so-called "zero option," which would remove Soviet SS-20s and American Pershing-2 and ground-launched cruise missiles from Europe.

One test of Moscow's attitude will be whether it permits Mr. Honecker to attend the West Berlin celebrations April 30. In Leipzig, Mayor Diepgen said Tuesday he had the impression that the East German leader was interested in coming — a move that would permit the West Berlin mayor to accept the October invitation.

Some diplomats say that Mr. Gorbachev may himself be preparing a major Soviet initiative in Germany. In recent days, Soviet correspondents in West Berlin have been dropping the idea that Mr. Gorbachev might meet with President Ronald Reagan in West Berlin in June when he is scheduled to visit the city.



'POTENTIAL BREAKTHROUGH' — Michael H. Armacost, a U.S. deputy undersecretary of state, ending two days of talks in Moscow on Wednesday, said "a potential breakthrough" existed in arms talks, opening prospects for a superpower summit meeting.

NUNN: Senator's Critique Puts Arms Debate in Flux

(Continued from Page 1)

basically supported the administration's arms program, more so than most Democrats, giving him more standing to challenge the administration than most of his Democratic colleagues can claim.

He is neither in the Democratic presidential race nor totally out of it, heightening interest in his activities without inviting dismissal of them as campaign posturing.

"With his credibility, the administration is now faced with almost a fait accompli" on the ABM treaty, said Representative Norman D. Dicks, Democrat of Washington, a leading arms control figure in the House of Representatives.

Mr. Nunn's endorsement of the restrictive interpretation, which many regard as essentially a defense of the status quo, does not necessarily mean Mr. Nunn will support other arms control initiatives advocated by more liberal Democrats.

But Mr. Nunn's choice to take on the administration on the ABM issue "clearly puts a little starch" in others and "makes it easier to get the momentum going again" in Congress on arms control in general, said Representative Patricia Schroeder, Democrat of Colorado, who serves on the House Armed Services Committee.

For some, it may "make it a little more respectable to take a strong position on arms control," said Senator Paul Simon, Democrat of Illinois, a member of the Foreign Relations Committee, said: "Sam Nunn has killed the administration's efforts to redefine the treaty, and so we can now focus on other things and essentially shift from a defensive position to an offensive one and ask what we can do in a positive way for arms control."

But others, such as the House Armed Services Committee chairman, Les Aspin, Democrat of Wisconsin, and Senator John F. Kerry, Democrat of Massachusetts, caution against exaggerating the effect that Mr. Nunn's ABM initiative could have on other arms issues.

There was more general agreement that the administration's credibility on arms control, already strained, has been further damaged in the ABM encounter.

AIDS: Human Vaccine Tests Near

(Continued from Page 1)

of vaccine recipients be compared to see if they had been protected? And, even if some subjects are exposed to possible infection, how long will it take to know whether protection has been offered against a disease that often does not develop for five or more years?

Although the obstacles are formidable, the need for an AIDS vaccine is pressing. Dr. Young said key decisions about testing and evaluation of vaccines would probably be made "with much less detailed data than we would have under ordinary circumstances."

No one fully understands how AIDS infects the body or how the body might protect itself against progression from infection to disease. No one even knows how many different strains of the AIDS virus there are.

With no clear certainty of how to proceed, scientists making educated guesses have developed several approaches.

In developing a vaccine, scientists have traditionally looked to the envelope, or protective coat, of a virus as the most likely part of the infecting agent to stimulate production of protective antibodies. They are using a variety of new techniques of molecular biology to chemically synthesize components of the virus or to extract pieces of it, in the belief that one or more proteins in the envelope will make an effective vaccine.

While most researchers are focusing on the potential use of envelope proteins, others are experimenting with proteins from the inner shell of the virus.

Animals tests show that each species develops a different mix of antibodies in response to the AIDS virus, and, while chimpanzees can be infected with the virus, no animals develop AIDS. For that reason, scientists see early experiments on humans as crucial.

According to Dr. Gallo, the urgency of the epidemic and the progress already made in understanding the AIDS virus mean "it is time to cross the bridge" from animals to people.

Preparing for difficult regulatory decisions along the road to an AIDS vaccine, the Food and Drug Administration has embarked on some unusual steps, Dr. Young said. It has hired more scientists to evaluate proposals for human experiments. Instead of waiting for researchers to come to it with their results and proposals, the agency is contacting drug companies and medical centers to keep abreast of their plans.

Agency scientists themselves are also performing some laboratory experiments to identify and verify relevant techniques.

Recently Dr. Anthony S. Fauci, the director of the National Institute of Allergy and Infectious Disease in Bethesda, Maryland, said he had begun to keep a list of all AIDS vaccine researchers and their areas of interest.

Dr. Gallo said he believed such a list would include hundreds of researchers in at least 30 institutes around the world, many of them formally or informally linked. Dr. Luc Montagnier of the Pasteur Institute in Paris, a discoverer of the AIDS virus, said for example that his team was collaborating with scientists in France and elsewhere on "a variety of approaches" to vaccine development.

The Zairian-French team caught researchers throughout the world by surprise in December with reports that it was testing AIDS immunizations in Kinshasa, Zaire. The experiments, which were be-

CHIPS: Defying the Fitness Mania

(Continued from Page 1)

to be the nation's nutritional watchwords.

Many leaders of the Snack Food Association, the trade group representing salted snack manufacturers and the host of the convention last week, say part of the credit lies with campaigns by chippers "to take on the junk food issue," as one trade publication put it.

"We are not telling people that potato chips are a basic food," said John Cady, the association's president. "But we are putting out some straightforward information: A one-ounce bag of potato chips has more Vitamin C than a small apple, less sodium than a six-ounce glass of tomato juice and, usually, no cholesterol."

On the other hand, the evidence suggests that lots of people simply ignore nutritional considerations when they buy potato chips, pretzels and other snacks.

Snack-makers have raced to keep ahead of the fitness fad with health food versions of traditional munchables, such as unsalted nuts and low-sodium nacho chips. For the most part, though, these nutritious variants have been market flops.

The paradigm, as noted by *Snack Food magazine*, is the granola bar, a snack food that did not exist a decade ago and that now accounts for about \$440 million (at wholesale) in annual sales.

Granola bars, the magazine says, were designed to be a "healthful, nutritious candy bar alternative."

Today, the growth areas in the granola bar business is in bars containing "marshmallows, caramel, fudge and other 'gooey fun' ingredients."

The real reason for the continued popularity of potato chips may be that just about every American grew up eating them — most likely, a local or regional brand.

"It's amazing how loyal people are to their hometown potato chip," said Stephen Eure, the association's legislative director and supervisor of the group's political action committee, known as *SnackPac*.

"When I'm going to offices on Capitol Hill, the people from Milwaukee always say 'You know, Geiser's Potato Chips are the world's best.' And the guy from Massachusetts says 'Oh, no, it's Tri-Sun, that's the best potato chip.' And the Californians say 'Laura Scudder's Potato Chip is the best on earth.'"

The new potato chip flavors displayed here included curry, yogurt, cheese and garlic, lemon and herb, Sicilian, asian, ketchup, garlic, steak, sourdough, apple, carrot, banana, plantain potato chips and even one called the "hammer," made from sweet potatoes.

A reporter tried every flavor in an effort to ascertain the best new 1987 potato chip. The winner is the thick, Tangy Mesquite Potato Chip of an Indianapolis chipper called *Krunchers*. It adorns every bag with its corporate philosophy: "No More Wimpy Chips!"

Philippine Insurgency Grows, U.S. Aide Warns

By David B. Ottaway
Washington Post Service

WASHINGTON — A Pentagon official, warning against U.S. complicity about Communist rebels in the Philippines, has released new intelligence figures showing steady growth in the strength of the New People's Army, despite the personal popularity of President Corason C. Aquino.

Taking issue with the optimistic assessment offered by a State Department witness, Assistant Secretary of Defense Richard L. Armitage told the House Foreign Affairs Asia subcommittee that the Aquino government has "regrettably failed" to develop a comprehensive counterinsurgency plan.

The New People's Army has increased in size and expanded the scope of its influence in the countryside, Mr. Armitage said.

Meanwhile, an administration source confirmed the general thrust of a report in *Newsweek* magazine this week that said President Ronald Reagan had issued a secret intelligence "finding" authorizing the Central Intelligence Agency to step up assistance to the Philippine Army.

The report said the CIA would expand its intelligence gathering on insurgency activities, including possible flights over rebel-held areas, and assign about a dozen more agents to its Manila station.

In his testimony, Mr. Armitage estimated that the number of regular New People's Army soldiers grew last year by 9 percent, reaching a total of 24,490. He also said the insurgency has expanded its presence and influence to 8,496 of the country's barangays, the nation's smallest administrative unit, an increase of 21 percent.

In an interview in early February, Mr. Armitage estimated the rebel army's strength at 23,000 to 25,000 armed men. He said his latest estimate was based on "brand new figures" the Pentagon had just received. A little more than a year ago, the Defense Department estimate of New People's Army soldiers was 16,500.

Mr. Armitage also cited for the first time reports, which he described as unconfirmed, that the rebel army was receiving arms from North Korea or Vietnam. Mr. Armitage previously has discounted similar reports and said there was no evidence the insurgency was being supported from the outside.

Earlier, Assistant Secretary of State Gaston J. Sigur Jr., who visited the Philippines last week, told the same subcommittee that his overall assessment of the situation there was "very positive," with the Aquino government addressing the Communist insurgency "realistically and effectively."

Mr. Armitage presented a radically different assessment. He said the Aquino government had "developed and then discarded" one

counterinsurgency strategy after another and often ignored the advice of the military.

"Distrust and apathy pervade civil-military relations," he said. "Poor communication and coordination are common between civilian and military counterparts at all levels of government."

"The Aquino government has also regrettably failed to develop a comprehensive counterinsurgency plan that integrates military, political, economic and social programs," he continued.

Former President Ferdinand E. Marcos "erroneously relied exclusively on military action. Some members of the Aquino administration believe they can rely almost exclusively on symbolic political acts to cure the insurgency," he said.

The New People's Army said the Communist Party of the Philippines, he said, remain committed to overthrowing the Aquino government and establishing a Communist state.

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Herald Tribune

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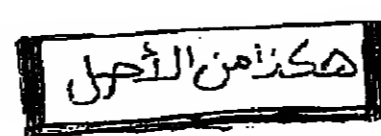
If you are interested in participating (no international competitor's licence required), please contact the AvD at the address below. Entries must be received by April 3.

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Sportabteilung
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6000 Frankfurt am Main 71
Tel.: (69) 66 06-252



The Zairian-French team caught researchers throughout the world by surprise in December with reports that it was testing AIDS immunizations in Kinshasa, Zaire. The experiments, which were be-

Financial market data table with columns for various indices and prices. Includes sections for 'CURREN', 'DOLL', and 'BRITISH'. The table contains numerous numerical values and symbols, likely representing exchange rates and market movements.



Czechoslovakia Studies A Limited Reform Plan Orthodox Leaders Under Pressure To Follow Gorbachev's Initiatives

By Jackson Dichl
Washington Post Service

PRAGUE — Czechoslovakia's conservative Communist leadership, under pressure to follow the initiatives of Mikhail S. Gorbachev in Moscow, has cautiously begun to develop a program of limited reforms that has at once divided its top policy-makers and stirred long-dormant hopes for change among the public.

The Communist Party leader, Gustav Husak, 74, and most other key members of the Politburo came to power after the 1968 Soviet-led invasion that crushed the reform effort of the party leader at that time, Alexander Dubcek.

Now, Mr. Husak and his allies find themselves in the curious position of studying the reintroduction of changes that they were installed to suppress.

Next month, Mr. Gorbachev is to visit Prague on a trip that many believe may decide Czechoslovakia's imminent political course. His visit is expected to help resolve the dispute between hard-liners who want to hew to the Marxist orthodoxy that has guided Czechoslovakia for the past two decades and those who seek to ease the government's rigid controls.

Those who want less rigidity favor changes similar to Mr. Gorbachev's program in the Soviet Union of greater openness in culture and the press as well as the "democratization" of public life, the workplace and the party.

Such limited measures, however, do not go as far as the Dubcek changes of 1968. Those included greater political, cultural and economic freedom and some radical steps, such as the lifting of censorship, that remain unacceptable to Moscow.

When Mr. Husak's administration came to power, it also reversed a Dubcek program of decentralizing economic management similar to that now seemingly favored by Mr. Gorbachev.

As a result, Communist leaders in Prague are under pressure to concede that their "normalization" of the country after the Soviet invasion was mistaken in at least some ways.

It is a shift the leadership cannot easily make without undermining its own legitimacy and the record of its 18 years in power. But in a country where political authority, even by the standards of Eastern Europe, is exceptionally dependent on Moscow, any rejection of the reform course would make Mr. Husak's position equally vulnerable.

The tension that this dilemma has created within the party recently has been manifested in a sharp public debate among top leaders about how far Czechoslovak revisions can go.

"The discussion inside the leadership," noted a Western diplomat, "is about how much change can safely be carried out in the economy, and possibly in other areas, without endangering the post-1968 normalization."

As outlined by government officials, the changes under discussion in the economy, news media and political life fall well short of those advocated by Mr. Gorbachev in the Soviet Union or those already carried out in Poland and Hungary.

But diplomats and politicians in Prague say the risks that the Gorbachev era has created for the Communist elite may be as great in Czechoslovakia as anywhere else in the Soviet bloc.

Outside the leadership, there are signs that Czechoslovaks, who have made a virtue of passivity since 1968, have renewed their interest in politics and staked fresh hopes on Mr. Gorbachev.

"People who never read anything but sports are suddenly reading newspapers from the front again," said the Reverend Vaclav Malý, a dissident priest. "I fear they expect too much; they expect another 1968."

The extent of Moscow's political



Gustav Husak

intervention is difficult to judge. Nevertheless, the Czechoslovak leaders have recently taken the first substantive steps toward designing and testing an economic reform program and have scheduled its announcement of its "general principles" one week before Mr. Gorbachev's expected arrival.

One group of top officials, headed by Prime Minister Lubomir Strougal, has insisted in public statements that Czechoslovakia must, "declare absolutely and unequivocally our adherence to the policy of the Soviet Union." Imitating Mr. Gorbachev's economic changes and adopting his policy of openness in public life.

At the other extreme, Vasil Bilak, a Politburo member, has responded with the strongest reservations about Mr. Gorbachev yet voiced publicly in Eastern Europe.

Some Czechoslovaks, he asserted last month, "sponge on the changes in the Soviet Union while hiding their anti-social and anti-socialist activity" and "demand recantation of the lesson" of 1968. "They will not live to see that," he declared.

Western observers say that the more liberal current represented by Mr. Strougal is slowly gaining favor. But they note that the differences between them are not as great as they sometimes appear.

"They are stressing different elements of the same program," said one veteran diplomat in Prague. "After all, no one is talking about making a major break with the Husak era."

As described by government officials, the actual revisions being prepared are relatively modest. In essence they are designed to remove some central controls over individual enterprises and give factories incentives to be efficient and profitable.

The authorities have ruled out more radical steps, such as workers' self-management of factories and bankruptcy proceedings for unprofitable companies, endorsed by Mr. Gorbachev and already carried out in Hungary and Poland.

Living Abroad

The Swiss School: Parents Are Hesitating

By Sherry Buchanan
International Herald Tribune

LONDON — Several kinds of Americans send their children to Swiss boarding schools: those who can afford it, those whose companies can afford it, those who want social status, those who want the child to have an international experience and those who want a break from the child or whose child wants a break from them.

At the turn of the century, it became fashionable for European aristocrats to send their children to Swiss boarding schools, a practice soon followed by rich Americans, South Americans and, later, Arabs.

In addition to their snob value, most Swiss boarding schools, unlike French, English or American ones, could boast an international environment. Le Rosey in Rolle, for instance, has 332 students from 38 countries.

The Swiss schools also offer a variety of degree programs, something that is less common in other boarding schools around the world.

But even among well-off U.S. parents and companies, there is a limit to how much they are willing to pay. With the falling dollar and the decrease in corporate generosity, the limit is currently being reached.

According to Emily S. Lewis, a New York-based educational adviser who charges parents \$700 per child for placement in a Swiss school, the cost of an exclusive Swiss boarding school is now \$3,000 to \$4,000 higher than the average cost of an exclusive U.S. prep school. A U.S. school now costs \$10,200 to \$10,700 a year.

"It's nip and tuck right now," said Raymond E. Doerge, headmaster of the American School in Leyzin, which recruits among U.S. corporations in the Middle East. The school charges corporations \$13,400.

"U.S. companies are sending single people to Saudi Arabia," he said, "and they are cutting back on the educational allowance."

The American School in Switzerland in Lugano has cut its total enrollment from 270

boarders to 250, gives corporate discounts and bears the brunt of the exchange-rate risk should the dollar fall during the school year.

Boarding schools that do not recruit students exclusively through U.S. corporations have also seen a drop in enrollment by American students due to the declining dollar and many American parents' fear of international terrorism.

An exclusive girls' boarding school in Lausanne, which costs 30,000 Swiss francs

The consensus among those planning to send their children to a Swiss school was that it should be for a maximum of three years. "If we can afford it," they added.

"I wouldn't put my child in as young as when I was sent to boarding school," said Evelyn Reynolds, a banker. She went to Marie-José in Gstaad at the age of 8, then to Le Rosey, Boston University and the University of Brussels.

Charles Cochand, a Canadian lawyer who practices in London and who went to Aiglon College in Chesi-rs-Villars for four years, agreed. He has two sons.

"I would send my boys like a shot," he said. "It gave me a chance to get away from my parents to find out who I was. I did a lot of growing up there."

However, those opposed to sending their children to a Swiss school argued that there was not any point in having children unless you looked after them yourself.

Others said they did not believe their children could learn basic values in the exclusive, elitist world of boarding schools which, they say, place too much emphasis on money.

Some, familiar with both Swiss and U.S. schools, said that this was less true of the more exclusive U.S. schools.

Katrina de Carbonel, who went to Marie-José at the age of 7, then to Miss Porter's in Farmington, Connecticut, Cornell University and Harvard University, prefers U.S. prep schools.

"The atmosphere is more wholesome," she said. "Money is not emphasized as much. It is more what you as a person can achieve. In Swiss boarding schools, you get a bit of a decadent feeling. They don't motivate you to go out and do things on your own."

"You wouldn't catch me dead putting my kids there, as happy as I was when I was there," said a former Le Rosey student who later went to an Ivy League college in the United States. "It causes trouble for people once they are out in the real world."

U.S. companies are sending single people to Saudi Arabia, and they are cutting back on the educational allowance.

— Raymond E. Doerge, headmaster of the American School in Leyzin

(\$20,000) and offers a variety of study programs, reported a 55-percent drop in U.S. enrollment this year over last year and expects a further drop next year.

In addition to cost considerations, attitudes are changing.

In an informal poll, 30 graduates of Swiss boarding schools, now in their 30s, were asked whether they planned to send their children to a Swiss school. Although 58 percent said they did, a significant minority, 42 percent, either said they were against boarding school altogether or against boarding school in Switzerland.

Of those interviewed, the majority went to Le Rosey, which charged 34,500 Swiss francs last year. A majority then went on to college in the United States and half started work there in the 1970s. They all said they were happy in boarding school.

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World & Dependent Sales

U.S. State Dept. Faces Deeper Budget Cuts in '88

By Don Oberdorfer
Washington Post Service

WASHINGTON — The State Department and foreign aid budgets probably will be cut further below their already reduced levels rather than raised substantially next year as the Reagan administration has proposed, a key congressman has told Secretary of State George P. Shultz.

"We'll have to start withdrawing from the world," responded Mr. Shultz. "It's a tragedy."

He said Tuesday that the most likely State Department response to further cuts would be to close consulates in West European countries. The United States already plans to close seven consulates this year. Last year it shut five.

Mr. Shultz described recent cuts in the nonmilitary foreign affairs budget as "a major foreign policy crisis" and the top problem facing U.S. diplomacy.

Representative Daniel A. Mica, chairman of the House Foreign Affairs Subcommittee on International Operations, said Tuesday at the end of a hearing that the foreign aid budgets for the 1988 fiscal year probably would be cut from 1987 levels. The cuts, according to the Florida Democrat, would come despite Mr. Shultz's pleas and his belief that "diplomacy and the State Department are being nibbled to death."

Mr. Shultz indicated that one result may be the closing of 20 to 25 U.S. diplomatic posts abroad, or about one-tenth of the 249 embas-

sies, consulates and special U.S. missions around the world.

The undersecretary of state for management, Ronald I. Spiers, said the most endangered posts are U.S. consulates in France, Germany, Britain, Italy, Greece, Turkey, Switzerland and other West European countries.

"If we are frozen, much less cut, we are in deep trouble," Mr. Spiers said. "It would mean a restructuring of our foreign affairs establishment and deep reductions in our overseas diplomatic presence."

Congressional sources said cuts of about 4.5 percent below the 1987 level are being discussed in both foreign aid allocations and the State Department budget. Both those budgets suffered sharp reductions in fiscal 1986 and 1987.

Data compiled by the House Foreign Affairs Committee suggested that the United States would fall close to \$1 billion short this year of meeting its promises to eight countries where it has military bases — Oman, Turkey, Portugal, Spain, Greece, the Philippines, Kenya and Somalia.

Meanwhile, congressional and department sources said that the department's second-ranking official, Deputy Secretary John C. Whitehead, would soon take charge of the politically sensitive foreign aid program.

The shift may mean a reduction in work for Edward J. Derwinski, a former Illinois congressman who was named undersecretary for security assistance, science and technology in October.

FUNERAL SERVICE

A service for CHARLES GREY who died accidentally in Palm Beach, Florida, on March 6th will be held at The American Cathedral, 23 Ave. George-V, Paris, on Wednesday, March 25th, at 12:30 p.m.

DEATH NOTICES

LURNER BELLA — Wife of the late Morris. Our beloved mother and grandmother, passed away in New York on Monday, March 16. A legend in her lifetime as a mother to her family and her extended family in need. Always remembered with deep love and pride. Gerald, Bertie, Koonie, Pam and families.

The family of Peter F. Culver regrets to announce his death in Frankfurt at business meeting on March 11. Mr. Culver was Senior Vice President, Morgan Guaranty Trust Company, and General Manager, Euro-clear Operations Centre in Brussels. A fund has been established to purchase a pipe organ for All Saints' Church in Osnabruck, Belgium. In lieu of flowers, those wishing to express their sympathy may contribute to the Peter F. Culver Fund, in care of Mrs. C. Borje, 4 rue de la République, B-1000 Brussels.

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NISSAN TOPS ITS CLASS

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When it comes to testing a vehicle's quality and dependability, few can compare with the 13,000km Paris-Dakar Rally. Only the toughest survive and reach the finish of this gruelling event.

This year the Nissan Patrol not only succeeded in completing the rally—it finished 1st in its class and 9th overall. Competing in Group B, Class 2, Diesel Prototype 4WD, it had the added distinction of being the only diesel vehicle among the top 10 finishers.

Following other victories in other rallies around the world, this impressive finish proves once again that when it comes to quality and dependability, few can compare with Nissan.

ABRE THIERRY SABINE

Place	Vehicle	Drivers	Total Distances (km)
1	NISSAN PATROL	Abre Thierry / Sabine	9850/91
2	Toyota Land Cruiser	Koroch / Ochet	9844/44
3	Toyota Land Cruiser	El-Abadi / Ouchak	9827/94
4	Mitsubishi Pajero	Sergueev / Chagnant	9822/50
5	Toyota Land Cruiser	Sergueev / Ochet	9821/36
6	Toyota Land Cruiser	Alphart / Bourne	1011/500
7	Toyota Land Cruiser	Mortel / Ochet	1072/41
8	Toyota Land Cruiser	Ivona / Ochet	1082/28
9	Toyota Land Cruiser	Sarmadec / Philippo	1085/03
10	Mitsubishi Pajero	Sarmadec / Philippo	1112/550

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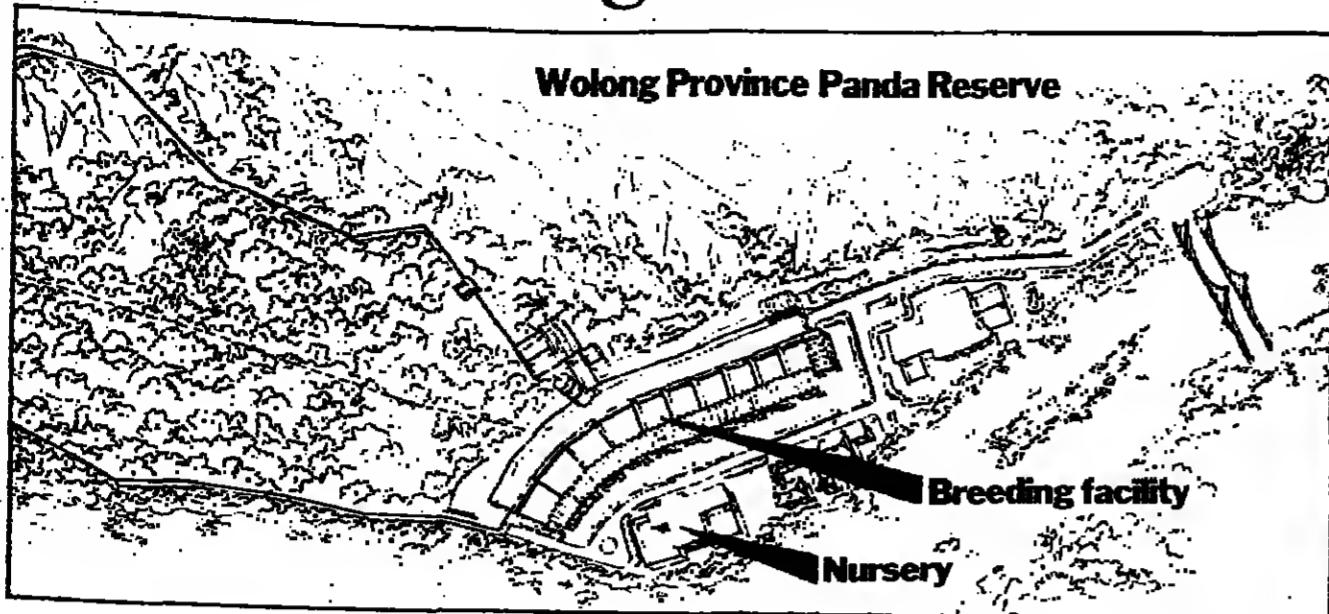
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SCIENCE

Pandas Losing Survival Battle



Wolong Province Panda Reserve

Breeding facility

Nursery

By John Noble Wilford

New York Times Service

DESPITE conservation efforts by the Chinese government and international scientists, the number of giant pandas is continuing to decline sharply. Few large animals pose a greater challenge to those seeking to save them. For pandas are picky eaters, unusually sensitive to human intrusion and lackadaisical in the affairs of procreation. The World Wildlife Fund, declaring a "panda emergency," this month announced a campaign to save the remaining animals through new measures to protect the mountainous bamboo forests where they live, to reduce inbreeding in isolated populations and to improve the breeding of captive animals.

According to a new census, fewer than 700 pandas are left in the wild, all in the province of Sichuan on the eastern edge of the Tibetan plateau of China. More than 100 survive in zoos around the world as well as new breeding centers associated with some of the 12 panda reserves where most of the wild pandas live. The reserves were set aside by the Chinese government to protect the dwindling natural habitats.

Scientists said the census, conducted by China's ministry of forestry and the wildlife fund, a private conservation organization, indicated that the panda population had declined by about 200 in the last decade. Several colonies have disappeared altogether, and many others have been reduced to fewer than 20 individuals, which is considered too small to remain viable.

On a visit to Sichuan last fall, a delegation of Western scientists, led by Prince Philip of Britain, international president of the wildlife fund, found that human encroachment on the panda habitats remained the most serious problem. Hunting of pandas has been outlawed, but thousands of people live on the reserves, farming and hunting and generally driving the animals deeper into isolated pockets. For example, more than 3,000 people live in Wolong Reserve, which is the largest protected area, with about 100 pandas.

"The government is lax in maintaining control over the Wolong villagers," said George B. Schaller,

a naturalist with the New York Zoological Society. The people of Wolong set out snares to catch musk deer, he said, but sometimes they kill a panda inadvertently. Some of the other reserves are more rigorously controlled, he said. Another cause for concern, the scientists said, were the timber-cutting practices in panda reserves. Pandas prefer to forage in bamboo thickets only in the shelter of tall trees whose branches shade more than 70 percent of the ground. But the reserves are administered by forestry officials who must not only protect the pandas but also provide timber. As the trees are harvested, the pandas seek new habitats, even if it means abandoning a bountiful supply of their favorite bamboo.

Satellite photographs of panda habitats during the last decade show a direct correlation between forest harvesting and the departure of pandas, according to a report of the visit of Western scientists to Sichuan in the journal *Nature*. The photographic analysis was conducted by Robert de Wulf of the State University of Ghent in Belgium.

ONLY 20 percent of the bamboo highlands where pandas used to range remains a suitable habitat, scientists said. Pandas live mainly on bamboo shoots, stems and leaves found at elevations of 6,000 to 12,000 feet (about 1,800 to 3,600 meters).

Even more serious than the shrinking size of the habitat is the increasing isolation of pandas into small populations set apart by clear-cut areas and other barriers. When MacKinnon, head of the Wildlife Fund's panda preservation project, and Kenneth Johnson, a biologist at the University of Tennessee at Knoxville, estimate that about 35 such isolated populations exist and that most have fewer than 20 individuals.

This puts the species in grave danger from inbreeding and demographic "crashes" according to the *Nature* article, by Stephen J. O'Brien and John A. Knight. Dr. O'Brien is a geneticist at a National Cancer Institute laboratory in Frederick, Maryland, and Dr. Knight is manager of the Doha Zoological Gardens in Qatar.

When the number of animals in an isolated community is so low,

they are especially vulnerable to chance events. A new generation could be either male or female. Or the major breeding male could be killed by poachers. If the pandas are unable to migrate freely, moreover, they are at greater risk from such natural events as the periodic die-out of bamboo species. About every 40 years, bamboo plants flower and die. It takes a year for them to regenerate from seed and as much as 10 years for the plants to support a panda community.

Free-ranging pandas can move to less favored varieties of bamboo. The recent population decline in the Wolong Reserve may be attributed in part to a bamboo die-out, scientists said. Dr. O'Brien said the genetic effects of the isolated populations could be insidious, eventually leaving the pandas more susceptible to devastating epidemics and reproduction difficulties. A community population of at least 50 is considered more effective for healthy breeding.

Connecting corridors of bamboo and sheltering trees between the remaining panda habitats are a key to the preservation strategy recommended by scientists for the World Wildlife Fund and the Chinese ministry of forestry. "The only hope for pandas in nature," said William G. Conway, director of the New York Zoological Society, "will depend on the ability of the Chinese to put together larger contiguous pieces of panda habitat."

The preservation strategy also emphasizes expanded research into breeding pandas in captivity. The experience so far has been frustrating. Part of the problem lies in the nature of pandas. They are solitary creatures. A female comes into heat for only two or three days each year. And it is not always certain that a male partner will respond.

Although zoos have had some success with artificial insemination, scientists have difficulty identifying the hormonal signs of ovulation and thus are not sure when to perform the procedure. Dr. Schaller said it took scientists at the Wolong Reserve five years to produce the first birth by artificial insemination. After conception and birth, a panda's survival is still problematic.



Pandas, who live mainly on diet of bamboo (right), suffer from 40-year-cycle of bamboo die-off when they are unable to find new bamboo sources. Drawing (top left) shows the "pandanium," which gives each panda its own house but provides an alley where pandas can meet and mate or dine in nearby bamboo thicket.



IN BRIEF

Defibrillators Can Cut Cardiac Deaths

NEW ORLEANS (AP) — Permanently implanted electrical devices that jolt the heart back to normal rhythm can virtually eliminate death from cardiac arrest. Two research teams presented evidence that these devices, known as defibrillators, can dramatically reduce the death rate in people who are at high risk of these seizures. "We are dealing with virtual eradication of cardiac mortality in these patients," said Dr. Michel Mirowski of Johns Hopkins, where the device was first implanted seven years ago. The device was approved for routine use about a year and a half ago, and 1,300 of them have been installed around the United States. Virtually all have been given to people who have survived one episode of cardiac arrest or the extremely rapid heartbeat that frequently precedes it. Such people are at high risk of suffering another attack. Studies have shown that between 30 percent and 60 percent of them die annually of heart rhythm disturbances. In the two followup studies, less than 2 percent of the patients died during their first year with the devices.

H-Bomb Blast Pales Beside Asteroid

WASHINGTON (APF) — An asteroid chunk which struck the earth 2.3 million years ago caused a blast 172 times bigger than the largest hydrogen bomb ever exploded — equivalent to almost a billion tons of TNT, scientists who examined debris from the impact have said here. "It's the largest object ever to fall to Earth from which we have recovered intact samples," said a U.S. Department of Energy spokesman, adding that the prehistoric collision might have helped to trigger Earth's Ice Age. Geochemists Frank Kyte and John Wason of the University of California at Los Angeles based estimates of the rock's size on fragments collected in the southeastern portion of the Pacific.

Whale Fossils Show Mountain Surge

NEW YORK (NYT) — Scientists have found fossils of whales and other marine animals in mountain sediments in the Andes, indicating that the South American mountain chain rose very rapidly from the sea. The rare assemblage of fossils, recovered on an expedition by the American Museum of Natural History to a remote plateau in southern Chile, is expected not only to illuminate an obscure epoch of animal evolution but also to document the rise of the Andes mountains in the past 15 million years. Among the fossils the scientists reported bringing back were the bones of whales and other marine animals found at altitudes of more than 5,000 feet. When these animals died from 15 million to 20 million years ago, their carcasses settled to the ocean floor and were embedded in submarine sediments. But since then, the violent upthrusting of the Andean chain has carried the sediments to the tops of mountains. In geological terms, the time the fossils took to rise from ocean floor to mountain top was relatively brief. The presence of interesting fossils on the plateau was detected by an amateur Chilean paleontologist.

ALBUQUERQUE ANCHORAGE ATLANTA AUSTIN BALTIMORE BIRMINGHAM BOSTON BUFFALO BURBANK BURLINGTON CAPE GIRARDEAU CEDAR RAPIDS CHAMPAIGN CHARLOTTE CHICAGO CINCINNATI CLEVELAND COLORADO SPRINGS COLUMBIA/JEFFERSON CITY COLUMBUS DALLAS FORT WORTH DAYTON DECATUR DENVER DRES MOINES DETROIT EVANSVILLE FAYETTEVILLE FORT LAUDERDALE HOLLYWOOD FORT LEONARD WOOD FORT MYERS FORT SMITH GREENBORO HIGH POINT WINSTON SALEM HARRISBURG HARRISON HARTFORD HONOLULU HOUSTON JACKSONVILLE JOPLIN KANSAS CITY LAKE OF THE OZARKS LAS VEGAS LINCOLN LITTLE ROCK LOS ANGELES LOUISVILLE MADISON MARION MEMPHIS MIAMI MILWAUKEE MOLINE MINNEAPOLIS ST PAUL NASHVILLE NEWARK NEW ORLEANS NEW YORK NORFOLK VIRGINIA BEACH WILLIAMSBURG OKLAHOMA CITY OMAHA ONTARIO ORANGE COUNTY ORLANDO OXNARD PADUCAH PALM SPRINGS PEORIA PHILADELPHIA PHOENIX PITTSBURGH PORTLAND QUINCY RALEIGH DURHAM ROCHESTER SEATTLE TACOMA FALLS ANTONIO SAN DIEGO SAN FRANCISCO OAKLAND SAN JOSE SARASOTA BRADENTON SALT LAKE CITY SIOUX CITY SIOUX FALLS SPRINGFIELD ILL SPRINGFIELD MO ST LOUIS SYRACUSE TOLEDO TUCSON TULSA TAMPA ST PETERSBURGH CLEARWATER WATERLOO WASHINGTON WEST PALM BEACH WICHITA

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High and Low Intensity: Two Emotional Cultures

By Daniel Goleman

New York Times Service

EMOTIONAL intensity, a major, lifelong aspect of temperament, is emerging as a fruitful area of research that is yielding rich insights into how people experience themselves and others. Although the idea that people differ in emotional intensity is not new, systematic new research is revealing important differences in the way that those with high and low intensity perceive, think about and react to events.

Some people, psychologists are observing, find themselves in emotional tumult even in reaction to mundane events, while others remain unperturbed, under the most trying of circumstances. Those who live lives of deep emotional intensity, researchers have found, seem to have a more complex sense of themselves and lead lives that are more complicated than do those whose emotions are less strong.

"One of the more emotionally intense people we studied was a woman who, for instance, was once depressed and distraught for days after she lost her pen," said Edward Diener, a psychologist at the University of Illinois. On the other hand, he said, she became so thrilled on seeing an advertisement for a big sale on expensive women's shoes that "she hopped in her car on the spot and drove three hours to the store in Chicago."

"One of the least intense," Diener added, "was a man who, one evening, spotted a fire that had broken out in a college dorm and got an extinguisher and put it out. But instead of running, he walked back to the extinguisher and walked back to the fire."

The new data shows that what are considered psychological disorders may, in fact, be simply the extremes of a continuum of normality. The most highly reactive people

seem to have what psychotherapists call a "cyclothymic" personality given to grand mood swings. At the extreme, he said, the tendency slides into a mild form of manic-depressive disorder. At the other end of the continuum are people who are so impervious to events that they hardly seem to have emotions. Some of these may have "alexithymia," a term applied to those who say they have no feelings at all — or who at least cannot find the words to describe the feelings — or anhedonia, the inability to feel pleasure.

"The emotionally intense people seek variety, novelty, complexity," said Robert Emmons, a psychologist at Michigan State University. "They have more varied goals in life, know more people in more different situations, and because they are doing so many different things, feel more conflict in their lives. They may want to work harder to achieve success at work, while at the same time trying to spend more time with a range of friends." These conflicts can be a source of stress for the emotionally intense, and may explain why they report getting more minor illnesses, like colds and flus, than do less emotional people.

MUCH of the conflict felt by the highly emotional, according to Dr. Emmons, is over whether to express or act on their feelings. "Although they may feel intensely, they do not always express themselves openly," Dr. Emmons said. "Intense people who are bottled up are in the worst situation." In an article to be published in the *Journal of Personality and Social Psychology*, Dr. Diener and Randy Larsen, a psychologist at Purdue University, report that the difference in emotional styles is closely tied to a difference in how people think about events. In one study, volunteers kept a record of their day-to-day lives and their

emotional reactions; in another they were shown disturbing slides and their responses were analyzed. From studies such as these a portrait is emerging of the distinctive mental lives of those who have tumultuous or placid emotions.

For example, highly emotional people, when shown disturbing slides — a woman holding an injured, bleeding baby, for example — had an immediate thought that personalized the event. The unemotional people, though, more often focused on a factual detail of the pictures; one commented about a slide of a dying man, "It looks like his pants are brand new."

In addition to relating the disturbing slides to themselves, the highly emotional people tended to focus their attention on the worst part of the slide and to make a generalization about it, such as thinking about how much evil there is in the world. Such people, Dr. Larsen and Diener conclude, tend to see themselves as at the center of an emotional vortex: they overestimate the extent to which events relate to them, and become excessively absorbed in what those events mean to them.

This tendency to exaggerate the emotional impact of events extends, too, to how highly emotional people assume others respond to those same events. Dr. Larsen found that the emotionally intense tend to assume that everyone else experiences things with similar emotional urgency. Even the most volatile people seem gradually to mellow with age, according to a study of emotional intensity in 242 people aged 15 to 70, as reported last year in the *Journal of Developmental Psychology*. The average level of intensity, the study found, drops with each decade of life, with the most pronounced drop between early adulthood — roughly the 20s — and early middle-age in the 40s.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Back to the ABM Treaty

Without care for facts or credibility, the Reagan administration started the world more than a year ago by asserting a new interpretation of the Anti-Ballistic Missile Treaty...



Singapore: Have Three, While Minding the Image

By Richard Reeves

SINGAPORE — After years of successfully persuading the people of this crowded island not to have more than two children...

an income tax rebate — is only the baseline incentive for yuppies. Working mothers get an additional 15 percent off the taxes on their income.

that the reason all of Singapore's military pilots are Chinese was that a Muslim Malay pilot's "emotions for the nation may be in conflict with his emotions for his religion."

Educate Against AIDS

There is no known cure for AIDS. And if a successful vaccine can be developed, says Otis Bowen, secretary of health and human services...

Lee Kuan Yew, the Calvinistic leader of the 2.6 million people assigned places (and apartments) on this 10-by-20-mile (16-by-32-kilometer) island...

First the Japanese, Now the Asian NICs

By Hobart Rowen

WASHINGTON — Four Asian "newly industrializing countries" — Hong Kong, South Korea, Singapore and Taiwan — had a combined trade surplus of about \$30 billion with America in 1986...

Bela Belassa call for a 20-to-30-percent boost in the Taiwan dollar and a 15-to-20 percent increase for South Korea, Hong Kong and Singapore.

Asylum Made Easier

Luz Marina Cardozo-Fonseca is a 38-year-old Nicaraguan citizen who entered the United States as a visitor in 1979 and now claims asylum to avoid deportation.

The Zero Option Is Worth Pursuing

By Richard Burt

The writer is U.S. ambassador to West Germany.

BONN — Mikhail Gorbachev's willingness finally to agree to the concept of eliminating intermediate-range missiles in Europe — the so-called zero option — has triggered a debate over whether such an agreement would serve Western interests. It would.

agreement in itself could do that. Eliminating intermediate-range missiles would still leave Western Europe vulnerable to shorter-range Soviet missiles and to large conventional and chemical forces.

Letters intended for publication should be addressed to "The Editor" and contain the writer's signature, name and full address.

Let Reagan Settle Into The Regency

By James Reston

WASHINGTON — With the best of intentions, the president's friends are urging him to demonstrate that he is back in charge of the administration...

A Needed For the... ARROUD AT HO... Today, Les Met...

Other Comment

Not a Bad Start in Beirut

Syria attempts to impose order on Beirut has succeeded, as far as they go. The daily carnage in the west of the city has abated.

Faulkner Gets His Revenge

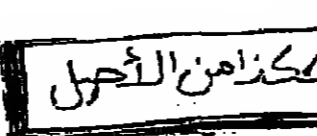
It's poetic justice a commemorative stamp will honor William Faulkner. In 1921 he applied for a fourth-class postmaster's job.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Blue Ridge Siege NEW YORK — Among the crags of the Blue Ridge Mountains of Virginia a sheriff's posse is drawing its lines closer round the Allen clansmen who last week illustrated their contempt for the law by slaying in Hillsville Court the judge, the public prosecutor, the sheriff and two jurors.

1937: Disaster in Texas DALLAS — From 200 to 500 children were believed killed and hundreds of others injured when one end of the New London schoolhouse, between Tyler and Overton, in the heart of the oil fields, was wrecked by a terrific blast on March 18.



OPINION

A Needed Victory in Court For the Right to Criticize

By Anthony Lewis

BOSTON — The right to criticize public characters and measures, James Madison said, is at the heart of American freedom. In recent years libel actions by public officials and public figures against press critics have seemed to menace that central right. Juries return huge verdicts, and some people doubted that reviewing courts would go on holding the constitutional line.

ABROAD AT HOME

bel judgment. The ruling should do much to restore the atmosphere of freedom. William Tavoulareas, then president of the Mobil Corporation, sued The Washington Post for a 1979 story that said he had "set up" his son in a shipping company that did business with Mobil. A jury awarded him \$2 million in damages, but the judge set the verdict aside as unjustified by the evidence. In 1985, Mr. Tavoulareas won an appeal; a panel of the Court of Appeals, dividing 2 to 1, reinstated the jury verdict. The press was alarmed, especially at the reasoning of the majority opinion by Judge George MacKinnon, joined by Antonin Scalia.

Because Mr. Tavoulareas was a public figure, he had to show that The Post had recklessly published a falsehood about him. Mr. MacKinnon's opinion said the jury was justified in finding recklessness — not so much in the article itself as in The Washington Post's general attitude. The paper wanted "high-impact investigative stories of wrongdoing," the judge said; there was pressure "for sensationalistic stories." He relied on the fact that, among themselves, reporters had made concerted statements about what they were going to do to Mr. Tavoulareas. The panel opinion seemed to suggest that any newspaper doing investigative reporting had to be viewed as suspect. That dangerous doctrine was swept away when the full Court of Appeals last week set aside the panel decision by a vote of 7 to 1. Mr. MacKinnon dissented. Mr. Scalia, who since has moved up to the Supreme Court, did not take part. "The First Amendment," the court said, "forbids penalizing the press for encouraging its reporters to expose wrongdoing by public corporations and public figures." That investigative reporters took an adversarial stance toward their subjects, it added, was "fully consistent" with professional standards — in journalism as in the adversary system of justice in the United States. Looking only at undisputed facts, the court found "uncontradicted evidence of nepotism." It said the charge of Mr. Tavoulareas setting up his son was "sub-

stantially true." And it found "overwhelming" evidence that The Post had published the story in good faith. The full court's opinion was by Judges Kenneth Starr and J. Skelly Wright. There was no ideological division; the emphasis was on the realities of this case.

The decision will have wider reverberations because Mr. Tavoulareas has become a campaigner for tougher libel restraints in the press. Mobil took the extraordinary step of offering libel insurance to its employees — insurance to cover their costs as plaintiffs if they wanted to sue anyone for libel. Then Mobil's vice president for public affairs, Herbert Schmetz, campaigned to have the press penalized for libeling government. That is a form of libel law that has never existed in the United States and that has been held unconstitutional.

The Court of Appeals did not belittle the important value of reputation. It reminded us of the balance of interests involved: the constitutional balance. Those who hold power in American society have enough ways to maintain their position. They must not be able to suppress honestly made criticism. Suppression is still a danger. The Washington Post has spent more than \$1 million on outside counsel in the Tavoulareas case. Its own lawyers and editors have spent endless hours on it. How many smaller press institutions would bear that burden? Until ways are found to dispose of such cases more promptly, the threat of self-censorship will remain.

The New York Times.



A Colonial Epilogue With No End in Sight

By Tom Condon

HARTFORD, Connecticut — My grandfather, Tom Condon, liked some politicians until they got elected, and then he invariably turned on them. He had trouble accepting authority. So do most of his progeny.

Back when it was possible, my great-uncle Tom claimed to be the only New York Giants fan in Brooklyn. Anything for an argument. "Ah, Tommy," my great-uncle Dan used to say, "there's nobody like the Irish."

I knew what the Irish, at least Irish-Americans, were like. To some degree or another, we are Catholic; have large and tight families; respect education; love a song, story or argument; have a sense of humor; are given to stoicism and depression; drink too much; respect position but mistrust authority. What I did not understand was why we are this way. Last summer I got an inkling.

I went to Northern Ireland with a group of Americans from Noraid, the Irish Northern Aid Committee. The organization provides money for the families of Irish Republican Army political prisoners, and most Noraid members support the IRA's interminable guerrilla war in Northern Ireland. Since this position is not universally popular, tours are held so that Americans can meet Catholic families and see what drives them to oppose British rule. It seemed like a good way to see the country.

In Belfast, where the trip began, I stayed with a young couple named Tom and Connie Maguire. He was a "joiner," or carpenter, but had been out of work for almost a year. When squads of British soldiers stalked by the house, as they did every half-hour or so, the couple's daughter, Charlene, would pretend to make a gun with her hand and shoot them. The child was 18 months old. When armored cars went by, older children from the neighborhood went out and threw stones and bricks at them.

As I watched in Belfast, it became fairly clear where the Irish dislike of authority came from. England occupied all of Ireland for 700 years, seven centuries of oppression and intermittent rebellion. For hundreds of years, Irish parents, north and south, taught their children to shoot the British, with play guns or real guns. Charlene could have been my great-grandmother in Cork.

In the 1920s, after the Easter Rebellion of 1916 and several years of civil war, the 26 counties of the south won freedom from England, but the six counties in the northeast were partitioned and kept under British rule. Most of the Irish in America have pre-1920s roots in Ireland. We share the Irish psyche, part of which is pointing the finger-gun at the British, the authorities. The legacy is still there.

And still? I was astonished at how injured most people in Northern Ireland are to the violence around them. Bombings, shootings or riots took place somewhere in the country every night I was there. Yet when a teen-age neighbor of the Maguires dropped by, she said, "It must be awfully scary, living in Amer-

ica." Why so? "The violence," she said. We left Belfast and headed south. In each town local people put on a late-night social. Here again, a revelation of sorts. The Catholics in Northern Ireland sing ballads, learn the ancient Irish language and dance the ceilidh dances as a means of cultural resistance.

This ancient practice also lives on in Irish-Americans. For centuries, the Irish could not go to school or even, in the

18th century, practice Catholicism in Ireland. Oral communication was all they had, and so the ballad and story, the oral tradition, became essential.

Americans have influenced events in Ireland. Civil rights marches of the 1960s inspired Catholics in the North to take to the streets in 1969 and demonstrate for decent jobs and housing.

More than 2,600 people have died in "the troubles" since 1969, and Catholics, a third of the province's 1.5 million people, still have an unemployment rate twice that of Protestants.

In Londonderry — called Derry by Catholics — I did not find a single Catholic with a job. Tens of thousands leave Ireland each year to find jobs, as they have since the 19th century and before. "I stopped looking," said Jim Robinson, a 28-year-old who had been laid off twice. "I wears you down." He told me over a pint of Guinness stout, the national anesthetic.

For generations, Irish without jobs or

power have looked for solace in alcohol. Too many of us still have the habit, without the rationale. The English have always had a low opinion of the Irish, viewing them as lazy and unreliable people with too many children. "People say the Irish are lazy and slow, but that has been said of all colonial people," said Tom Hartley, the 40-year-old general secretary of Sinn Féin, which seeks removal of the British and reunification. "All colonial people have it in our past, and our children — to believe we were something once, and will be again," he said.

Given a chance in the United States, Irish people showed that they were not lazy and unreliable. But Mr. Hartley's thoughts stayed with me.

Colonial people harbor a smoldering resentment, and a residue of this resentment can survive for generations. With Irish-Americans it manifests itself in a suspicion and distrust of the powerful, but also in a sense of fairness and a willingness to help the less fortunate. Most Irish-American families are not much different from those I met in Belfast; we just live in a freer country.

It is depressing to think about the Catholics, and Protestants, in Northern Ireland, because the pain will continue until something drastic is done to stop it. It is also unpleasant to think of others who have worn the yoke. If the legacy of slavery still lives two and three generations into Irish-America, how many generations will it take for blacks and other minorities to chase the ghosts away?

The writer is a columnist for the Hartford Courant, from which this is adapted.

LETTERS TO THE EDITOR

For Spin-Off Without Spin

Regarding "SDI Spin-Off Might Improve Life Worldwide" (Feb. 19): Geoffrey Pattie, Britain's minister of trade and industry, ignores the main controversies surrounding SDI research, such as its vast potential for developing offensive weapons — as Robert English shows in his accompanying column ("Space Weapons Entirely Defensive? Don't Bet on It"). Mr. Pattie tries to convince us that this research will "improve the everyday life of our global village." He wants to entice support for a dangerous escalation of the arms race with all the wonderful technical spin-off that he expects from the SDI.

As precedent, he cites television, seeming to imply that it would not have been developed without research undertaken during World War II. In other words, to obtain important technological advances we must transform a great new frontier into yet another battlefield. Fortunately, military research is not our only means of developing sophisticated technology. Given the market val-

ue of inventions and discoveries upon which "the future of industrialized society may depend," such technologies would be developed without the SDI, although perhaps a bit more slowly than the impatient Mr. Pattie would like.

I believe most of the world will not mind waiting. Would any of us not have forgone World War II even if it meant waiting an extra few years for television? PAUL DEVLIN, Hong Kong.

The Languages of Help

Regarding "Cultural Differences Sway Choice of a Therapist" (Living Abroad, March 5) by Sherry Buchanan:

As an American therapist in Rome, with experience in treating clients of different nationalities, I believe a therapist-client "fit" is determined by many factors. For example, an Asian client recently told me that she benefited from my being an American woman who might support her in becoming more independent from her Asian husband. In this case, the client chose a therapist

who would share similar values, an important aspect of successful therapy.

For long-term therapy, I refer Italians to Italian therapists. Although I have lived in Italy for 14 years and speak Italian fluently, there are subtleties and nuances which block understanding. Knowledge of Italian culture is not enough to work with an Italian client.

Also, in treating addiction, one treats the family of the addict as well, and for an Anglo-Saxon to undertake therapy of an Italian family is, in my experience, almost impossible, unless with an Italian co-therapist. The treatment of addicts in Italy is a far cry from the complete abstinence-from-any-drug goal in the United States. Patients diagnosed as alcoholics in private clinics in Italy are often served wine with their meals!

All the same, in a crisis situation an empathetic therapist with a basic understanding of the client's language can be a lifesaver. Helping a client feel less alone and frightened is to go beyond spoken words and cultural differences.

PHEBE A. PORTIERI, Rome.

To inaugurate its centennial year, the International Herald Tribune is proud to announce

THE PARIS LIBERTY FLAME APPEAL



Last year's rededication of the Statue of Liberty in the New York harbor has focused new attention on the fact that the Statue was a gift to the United States from the people of France and that a broad cross section of the French public participated in the giving. Over 100,000 individual subscriptions were recorded from 181 towns throughout France, a collective outpouring of affection and goodwill from one people to another which was truly unprecedented.

It therefore seemed natural to Americans then living in Europe to express their gratitude, and, in 1885, a group of them gave as a gift to the French people the reduced size replica of the Statue of Liberty which today stands in Paris on the Ile aux Cygnes.

A century later, it seems appropriate that members and friends of the Franco-American community should make a similar gesture of gratitude and goodwill through an exciting project which has a similar symbolic importance: the creation of a new Paris Flame of Liberty, a striking public monument to be erected on a prominent site in Paris and consisting of a full-sized duplicate of the flame which now glimmers atop the upraised arm of the New York Statue.

The International Herald Tribune, which entered its own one hundredth year in October of 1986, has decided to mark the conjunction of its centennial with that of the Statue of Liberty by sponsoring an international fundraising appeal to make this project possible.

In 1985, when restoration of the Statue of Liberty was started in New York, Les Métailliers Champenois, a group of outstanding French artists, was asked to create a new flame for the Statue, using a technique called "repoussé," identical to Bartholdi's original method. Today, Les Métailliers Champenois

have begun work on a second such flame, a full-sized replica of the first — with the approval of the United States government and using the same molds that were created for the New York project. The duplicate flame will then be transported to France, where French officials have assured it a warm welcome at a prominent permanent site on or near the Place de l'Alma in central Paris. There it will stand as a beautiful and highly visible monument, celebrating the spirit of Liberty and the spirit of international cooperation.

It is estimated that this project will cost U.S. \$400,000 — and this is the amount we are undertaking to raise. Working together with our co-sponsors, Kevin MacCarthy Associates, an international law firm located in New York City, the IHT has established a non-profit corporation, France-America Liberty Fund, Inc., as well as a French "association", France-America Liberty Fund, to which tax deductible contributions can be made in both countries. We are pleased that the American Club of Paris has announced their full support and participation in this project.

Founded in Paris on October 4, 1887, the International Herald Tribune is the oldest American newspaper published abroad. The IHT is still headquartered in Paris, though it now has printing sites in eight cities in Europe, Asia and the Americas, and is read each day by nearly half a million people in 164 countries.

Ever mindful of our own deep Paris roots and of the warm relations we have enjoyed throughout the century with the people of France, we are proud to take the lead in this undertaking.

The France-America Liberty Fund welcomes contributions of any size and will acknowledge all gifts (unless otherwise instructed by the donors) by listing the names of the contributors in the International Herald Tribune. Contributors of \$150 (1,000 FF) or more, will not only be listed in the IHT but will also receive a desk-top replica of the Liberty Flame.

Individual contributors of \$1,500 (10,000 FF) or more will have their names engraved on the permanent plaque which will be affixed to the Liberty Flame Monument. Corporate contributions of \$5,000 (33,000 FF) and more will also qualify for such listing.

But whatever the size of your contribution, the importance of this symbol will be enhanced by the broadest possible participation. We hope you will become a part of this important project by forwarding the form below.

To: Assn. Franco-America Liberty Fund, c/o International Herald Tribune 181, Ave. Charles-de-Gaulle, 92521 Neuilly Cedex. Or: France-America Liberty Fund, Inc. c/o International Herald Tribune 850 Third Avenue, New York, N.Y. 10022.

I enclose my check to the order of France-America Liberty Fund, Inc. I have no objection to my name being published by the IHT in acknowledgement. I prefer to remain anonymous.

Advertisement for KLM airline expansion. Text includes: 'KLM's home base, Amsterdam Airport Schiphol, has started a ten-year expansion plan. The aim? To maintain its reputation as the world's favourite airport. The first stage: a completely new pier. Connecting directly with the rest of the airport building. Making the single terminal concept more spacious. More comfortable. Keeping everything - including the world's largest bargainfilled tax-free shopping centre - under one roof. Thanks to this, Schiphol remains the logical and easiest - place to transfer. And KLM the logical way to get there. The Reliable Airline KLM'.

NYSE Most Actives		
NYSE 2 a.m. volume	17,589,000	
NYSE adv. corp. close	13,000,000	
NYSE adv. gov. close	1,500,000	
NYSE adv. corp. close	1,500,000	
NYSE adv. gov. close	1,500,000	
NYSE adv. corp. close	1,500,000	
NYSE adv. gov. close	1,500,000	

Market Sales		
NYSE 2 a.m. volume	17,589,000	
NYSE adv. corp. close	13,000,000	
NYSE adv. gov. close	1,500,000	
NYSE adv. corp. close	1,500,000	
NYSE adv. gov. close	1,500,000	
NYSE adv. corp. close	1,500,000	
NYSE adv. gov. close	1,500,000	

NYSE Index		
Composite	164.1	164.2
Industrials	179.7	179.8
Transp.	127.7	127.8
Utilities	76.1	76.2
Finance	164.1	164.2

Wednesday's NYSE Closing
Via The Associated Press

AMEX Diary		
Advanced	100	100
Unchanged	100	100
Declined	100	100
New High	100	100
New Low	100	100

NASDAQ Index		
Composite	100	100
Industrials	100	100
Transp.	100	100
Utilities	100	100
Finance	100	100

AMEX Most Actives		
Vol.	High	Low
100	100	100
100	100	100
100	100	100
100	100	100

Dow Jones Bond Averages		
10 Year	100	100
30 Year	100	100
1 Year	100	100
3 Month	100	100

NYSE Diary		
Advanced	100	100
Unchanged	100	100
Declined	100	100
New High	100	100
New Low	100	100

Odd-Lot Trading in N.Y.		
March 17	39,241	38,831
March 18	39,241	38,831
March 19	39,241	38,831

Dow Jones Averages		
Industrials	100	100
Transp.	100	100
Utilities	100	100
Finance	100	100
Composite	100	100

Standard & Poor's Index		
Industrials	100	100
Transp.	100	100
Utilities	100	100
Finance	100	100
Composite	100	100

Previous NASDAQ Diary		
Advanced	100	100
Unchanged	100	100
Declined	100	100
New High	100	100
New Low	100	100

AMEX Stock Index		
High	100	100
Low	100	100
Close	100	100
Change	100	100

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Dow Average Flirts With 2,300

United Press International
NEW YORK — The New York Stock Exchange turned lower in active trading late Wednesday, erasing an early advance that boosted the Dow Jones industrial average above 2,300 for the first time.

The Dow average, which rose 36.36 Tuesday, was down 4.97 to 2,279.83 at 3 P.M. Shortly

Wednesday as the stock market, driven by strong oil and technology issues, advanced in active trading.

The market ran into futures-linked selling above 2,300, however, and gains were trimmed before buying again sent the blue chip barometer higher in a short-lived rally around noon.

"The bulls had their chance and they dropped the ball," Mr. Goldman said. "If we close weak or today, it will be back to a churning, correctional phase which the market badly needs."

Although most U.S. stock market tables in this edition are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.

Monte Gordon, director of research at Dryfus Corp., said futures-related trading helped drive the market higher earlier.

He said concern about the inflationary implications of higher oil prices and fear of this coming Friday's triple-witching hour was "overwhelmed" by program buying.

before 10 A.M. and again around noon, the Dow climbed above 2,300.

Losers outnumbered gainers by about 20 issues among the 1,928 issues crossing the NYSE tape.

Since last week, investors have been looking toward Friday's triple-witching hour, the quarterly event in which stock index futures come due and options on those futures and on individual stocks simultaneously expire. The phenomenon frequently provokes wild, though short-lived, price swings.

Big Board volume at 3 P.M. was about 171.6 million shares, compared with 148 million in the like period Tuesday.

Prices were rising in active trading of American Stock Exchange issues.

When the hour left to trade, a strong oil group dominated the list of active issues on the NYSE. Phillips Petroleum topped the active list, followed by USX, which includes Marathon Oil, and Occidental Petroleum. All three were sharply higher.

Mr. Goldman said Tuesday's record-breaking rally did not have the earmarks of a "new, meaningful advance." The rally in the Dow was supported neither by a wide margin of advancing issues over decliners nor by heavy volume.

Among other oil issues, Mobil, Texaco, Exxon, Chevron and Schlumberger were gaining. Bristol-Myers was up sharply.

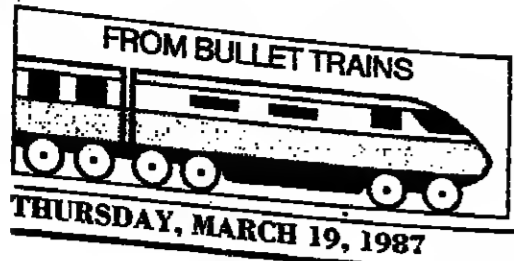
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12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Change
22	22	AAR								
23	23	ADT								
24	24	ADP								
25	25	ADG								
26	26	ADK								
27	27	ADL								
28	28	ADM								
29	29	ADN								
30	30	ADO								
31	31	ADP								
32	32	ADQ								
33	33	ADR								
34	34	ADS								
35	35	ADT								
36	36	ADU								
37	37	ADV								
38	38	ADW								
39	39	ADX								
40	40	ADY								
41	41	ADZ								
42	42	ADA								
43	43	ADB								
44	44	ADC								
45	45	ADD								
46	46	ADE								
47	47	ADF								
48	48	ADG								
49	49	ADH								
50	50	ADI								
51	51	ADJ								
52	52	ADK								
53	53	ADL								
54	54	ADM								
55	55	ADN								
56	56	ADO								
57	57	ADP								
58	58	ADQ								
59	59	ADR								
60	60	ADS								
61	61	ADT								
62	62	ADU								
63	63	ADV								
64	64	ADW								
65	65	ADX								
66	66	ADY								
67	67	ADZ								
68	68	ADA								
69	69	ADB								
70	70	ADC								
71	71	ADD								
72	72	ADE								
73	73	ADF								
74	74	ADG								
75	75	ADH								
76	76	ADI								
77	77	ADJ								
78	78	ADK								
79	79	ADL								
80	80	ADM								
81	81	ADN								
82	82	ADO								
83	83	ADP								
84	84	ADQ								
85	85	ADR								
86	86	ADS								
87	87	ADT								
88	88	ADU								
89	89	ADV								
90	90	ADW								
91	91	ADX								
92	92	ADY								
93	93	ADZ								
94	94	ADA								
95	95	ADB								
96	96	ADC								
97	97	ADD								
98	98	ADE								
99	99	ADF								
100	100	ADG								

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Change
101	101	ADH								
102	102	ADI								
103	103	ADJ								
104	104	ADK								
105	105	ADL								
106	106	ADM								
107	107	ADN								
108	108	ADO								
109	109	ADP								
110	110	ADQ								
111	111	ADR								
112	112	ADS								
113	113	ADT								
114	114	ADU								
115	115	ADV								
116	116	ADW								
117	117	ADX								
118	118	ADY								
119	119	ADZ								
120	120	ADA								
121	121	ADB								
122	122	ADC								
123	123	ADD								
124	124	ADE								
125	125	ADF								
126	126	ADG								
127	127	ADH								
128	128	ADI								
129	129	ADJ								
130	130	ADK								
131	131	ADL								
132	132	ADM								
133	133	ADN								
134	134	ADO								
135	135	ADP								
136	136	ADQ								
137	137	ADR								
138	138	ADS								
139	139	ADT								
140	140	ADU								
141	141	ADV								
142	142	ADW								
143	143	ADX								
144	144	ADY								
145	145	ADZ								
146	146	ADA								
147	147	ADB								
148	148	ADC								
149	149	ADD								
150	150	ADE								



THURSDAY, MARCH 19, 1987

WALL STREET WATCH

As Conrail Sale Price Rises, So Do Big Investors' Doubts

By VARTAN G. VARTAN

NEW YORK — The price tag has been raised on what shapes up as the largest new share issue ever in the United States: the public sale of the government's 85 percent stake in the Consolidated Rail Corp. However, some prospective institutional buyers to entertain second thoughts about participating in the offering.

"A price over \$26 a share for Conrail cools our interest," one analyst said.

The biggest initial public offering so far was Duff & Phelps Selected Utilities. This closed-end investment fund, in which the shares are limited to those offered initially, raised \$1.3 billion in January.

Conrail operates the largest freight railroad system in the country's Northeast-Midwest quadrant, serving a heavily industrialized region. It was created by the government in 1976 from the bankrupt Penn Central Railroad and six other bankrupt or failing rail carriers.

Analysts generally give Conrail's management good marks for revitalizing the formerly deficit-laden carrier. Conrail has poured billions of dollars into modernizing its tracks and its locomotive and freight car fleet. It has also cut costs by sharply reducing the number of its freight employees and shrinking its track system.

While the United States government is selling 85 percent of Conrail, the remaining 15 percent is held by the railroad's employees.

A railroad analyst for a bank said: "A price over \$26 a share for Conrail cools our interest. Conrail does not have very large growth prospects over the next few years, but a middle point of \$24 in the original \$22-to-\$26 range more than made up for that detriment."

"At \$24 a share the stock would be priced at between 7.5 and 8 times this year's estimated earnings of \$3 to \$3.15 a share," he added. "But now, with a middle point of \$27.50 a share, the stock would be priced at 8.9 times earnings. On a pro forma basis, Conrail earned \$3.01 a share last year."

James M. Voytko, railroad analyst for Peine Webber, has written extensive research reports on the offering. He estimates Conrail's earnings at \$3 a share this year and at \$3.35 for 1988.

Vaccine Proposed For AIDS

Myers Asks U.S. To Approve Tests

NEW YORK — Bristol-Myers Co. said Wednesday that it would seek permission from the U.S. Food and Drug Administration to test its AIDS vaccine in humans by the end of March. The application would mark the first request by a major U.S. company to test an AIDS vaccine.

A spokesman for the New York-based company said it would file an "investigational" application by the end of the month requesting the FDA to permit tests of the vaccine in humans. AIDS, or acquired immune deficiency syndrome, is caused by a virus that destroys the body's immune system.

Scientists at the company's genetic systems unit, which also markets a blood screening test for AIDS, have created a vaccine that Bristol-Myers said produces antibodies to the AIDS virus in mice and in monkeys.

Drug industry analysts cautioned that a number of safety issues would have to be resolved before the FDA will allow the testing. Bristol-Myers' stock rose sharply on word of the company's plans in mid-session trading on the New York Stock Exchange. Its shares, which were among the 10 most active, were trading heavily at \$108.75, up \$6.375 from Tuesday's close.

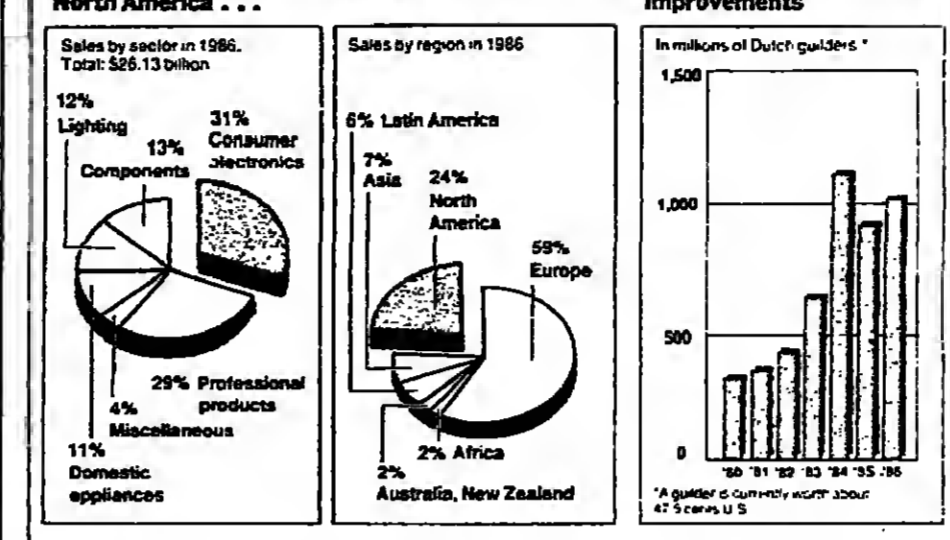
The vaccine consists of a small-pox virus that has been altered to carry a key gene found in the AIDS virus. Bristol-Myers said that by "piggy-backing" two AIDS virus proteins with the smallpox virus, it created a hybrid virus that simultaneously immunizes against smallpox and the AIDS virus proteins.

The vaccine uses two proteins found on the surface of the AIDS virus. The AIDS virus contains a number of such proteins, however, and it is not yet known which would trigger immunity against the disease.

"The market has been overwhelmingly positive to anything relating to AIDS, whether it be possible treatments, condoms or blood tests for the virus," said Joe Riccardo, associate director of Bear, Stearns.

New Strategy and Strength at N. V. Philips

Electronics Company Focuses on North America ... And Earnings Improvements



Philips Wakes Up Leaner, Hungry

Dutch Giant Wants Big Bite of U.S. Electronics Market

By Peter Maass
NEW YORK — Philips executives say that the United States is both the largest potential market for their goods and a trend-setter for the rest of the world.



Philips executives say that the United States is both the largest potential market for their goods and a trend-setter for the rest of the world. "It would be unreasonable and naive to think that we can dominate the U.S. market," Mr. van der Klugt said, "but we've got to have a share big enough so that we can hold our own."

As part of its strategy of focusing on the United States, Philips took direct control in December of its American units, North American Philips Co. and Signetics Corp. The companies had been legally owned by a trust set up during World War II that was controlled by Philips. The trust was ended Dec. 17, giving Philips' headquarters direct power.

The negotiations represent a resumption of talks broken off in 1981 amid deteriorating East-West relations after the Soviet Union's invasion of Afghanistan in December 1979.

However, the talks are not expected to result in a dramatic increase in trade flows between the two sides, seen during the détente period of the 1970s, diplomats said.

EC, Comecon Begin Talks On Opening Trade Relations

By Thomas Netter
GENEVA — The European Community and the Soviet bloc Council for Mutual Economic Assistance, or Comecon, began formal talks here Wednesday on establishing trade relations, amid what diplomats guardedly described as a new sense of optimism over Soviet trade relations with Western Europe.

Representatives of the EC are to examine a draft proposal submitted by the 10-nation Comecon alliance for forging economic links with the EC for the first time since the European trade and industry organization was formed 30 years ago. Officials of the 12-member EC said the closed talks would last two or three days.

Western diplomats have expressed optimism that the two trading blocs could reach an accord at this or subsequent meetings, aided by moves toward economic reform announced by the Soviet leader, Mikhail S. Gorbachev, in the past year.

Currency Rates

Table with columns for Currency Rates, Cross Rates, and Other Dollar Values. Includes data for various currencies like Yen, DM, SF, etc.

Interest Rates

Table with columns for Eurocurrency Deposits, Key Money Rates, and Gold. Includes interest rates for various terms and currencies.

Bank Brussels Lambert

Main Consolidated Data

Table showing Main Consolidated Data for Bank Brussels Lambert for 30/9/1981 and 30/9/1986. Columns include (in billions), BEF, BEF, USD(*).

Continued progress in the 1985-86 financial year

The Bank's international expansion, its low risk profile, its continuing containment of costs, its leading position in the securities market and in electronic banking bode well for future increases in profitability. With a view to expanding its market share, the Bank adopted, as early as 1979, a market-segment approach focusing on retail, medium-sized companies, large corporations, institutional investors and banks.

Internationally, BBL has been concentrating expansion on a select number of major financial centers, with special emphasis on foreign trade finance, project finance and short-term lending. The Bank has also been increasing its commission income through financial services such as the portfolio management of mutual funds, pension funds and private investors' funds, with total assets managed in this way amounting to over USD 6 billion.

In the Eurobond market, BBL managed or co-managed 732 issues in 1986, ranking eighth worldwide and first in Belgium. For the management and co-management of Ecu-denominated issues, it ranked first in the world in 1986 and it has also its name the largest volume of Ecu issues floated since the creation of this market in 1981.

CORUM watch advertisement. Features a large image of a watch and text: 'CORUM The Romanus. An exclusive creation of watchmaking art. In Paris. MORABITO 1, place VENDÔME Tel 42.60.30.76'.

شكرنا من الأهل

BUSINESS ROUNDUP

Group Bids \$2.2 Billion for Gencorp

NEW YORK — A partnership affiliated with AFG Industries Inc., the glassmaker, and Wagner & Brown, an energy company, launched Wednesday a \$2.2 billion takeover offer for Gencorp Inc., a manufacturing and broadcasting company.

quarters in Akron, Ohio, comes several months after AFG and Wagner & Brown unsuccessfully offered to acquire Lear Siegler Inc., the aerospace and automotive parts conglomerate, for \$1.44 billion.

15, also was conditioned on General Partners gaining Federal Communications Commission approval to acquire Gencorp's broadcasting licenses.

IBM's New Standards Aim To Make Software Versatile

NEW YORK — International Business Machines Corp. has released a new set of standards that will eventually make it possible for newly developed software to run on every IBM machine from a personal computer to a mainframe.

BUSINESS PEOPLE

Wheeling Gives Lubensky Top Post

By Arthur Higbee International Herald Tribune
Lloyd C. Lubensky has been named chairman of Wheeling-Pittsburgh Steel Corp., apparently the victor in a power struggle with George A. Ferris, whom he succeeded.

Mr. Ferris, 70, resigned not only as chairman Tuesday, but also as director, vice chairman and chief executive.

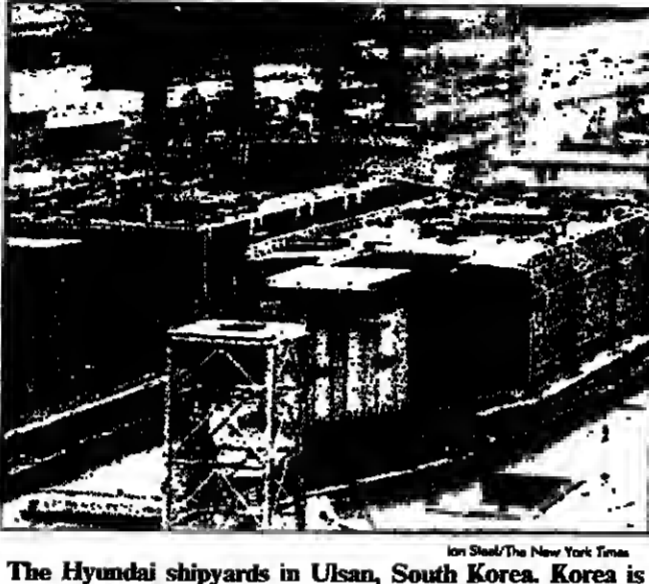
from a similar post at Ted Bates Advertising, New York.
Manville Corp., the Denver-based miner and manufacturer of building materials, has named John Roach as senior vice president and chief financial officer.

Morgan Grenfell Has 19.5% Rise In Pretax Profit

LONDON — Morgan Grenfell Group PLC, the British merchant bank, said Wednesday that pretax profit rose 19.5 percent to \$82.2 million (\$131.8 million at current rates) in 1986, from \$68.8 million in 1985.

Japan Shipbuilders, Seeking to Stay Afloat, Plan Cutbacks

TOKYO — Japan's shipbuilding industry, battered by recession and the strong yen, plans to revise itself in a few years through cuts in capacity and work force and greater use of computers, industry sources said in interviews Wednesday.



The Hyundai shipyards in Ulsan, South Korea. Korea is Japan's leading competitor in the shipbuilding industry.

cludes a reduction of 20,000 to 30,000 of the estimated 100,000 workers in the industry between 1986 and 1989.

The salvage measures, which include a government-sponsored program of cutbacks, are aimed at taking back some of the market that Japan, the world leader, has lost to South Korea through currency and labor-cost disadvantages, they said.

The government plans to help the industry shed 20 percent of capacity within two years through mergers and regrouping under legislation put before the Diet, or parliament, this month. It is likely to be approved by May or June, the sources said.

World shipowners hope Japanese yards can ride out the recession because their technology is the best in the world, said an official at a big Japanese shipping company.

INTERNATIONAL POSITIONS

INTERNATIONAL TRAVEL MARKETING

A high profile role for a high achiever

The exceptionally high standard of performance that characterises all our business activities has made Hertz the No. 1 car rental company worldwide.



Swissair Expected To Choose MD-11

ZURICH — McDonnell Douglas Corp. was tipped Wednesday to beat Europe's Airbus Industrie to replace the 11 DC-10s on Swissair's international fleet, according to Swiss press reports.

Bechtel Group Inc., the U.S. engineering and construction company, reported that it performed work last year valued at \$6.5 billion, a drop of 4.4 percent from the \$6.8 billion of the previous year.

Glaxo Holdings PLC, the British pharmaceuticals concern, announced that it had applied for registration on the Tokyo stock exchange.

Cathay Pacific Says Net Up 59%

HONG KONG — Cathay Pacific Airways Ltd. reported Wednesday that net profit for 1986 rose 58.7 percent to 1.23 billion Hong Kong dollars (\$176.6 million).

In Corporate Forex, Nothing Ventured Is The Sought-For Gain

By Ferdinand Protzman International Herald Tribune
FRANKFURT — To the average person, foreign exchange means trading cash for money of a different color at a change counter in an airport or train station.



Rolf Selowski, left, who resigned last week as finance director of Volkswagen AG, and Carl Hahn, the automaker's chairman, in 1983 file photo. Mr. Selowski was responsible for VW's foreign exchange trading unit.

on their own," said Hans-Joachim Filz, an economist with the Bank in Lichtenstein in Frankfurt. "But many companies do it through banks. Only the biggest companies, like Volkswagen and Daimler-Benz can afford to have their own hedging operations."

An International Foundation dealing with cultural/architectural activities worldwide seeks a FINANCE DIRECTOR to be based near Paris

COMMODITY TRADING Group specialised in Tropical Agro-Business seeks for its trading branch based in PARIS EXPERIENCED TRADER

Director, European Sales & Marketing
FlowMole Corporation is a rapidly growing utility service company with international operations. Our company has successfully penetrated the multi-billion dollar market in underground utility construction with our patented, new technology.

AMEX
Table includes the nationwide prices for the closing on Wall Street and do not reflect late trades elsewhere.
In the Associated Press

Table with multiple columns listing stock prices, including symbols, company names, and prices. Includes sections for 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H', 'I', 'J', 'K', 'L', 'M', 'N', 'O', 'P', 'Q', 'R', 'S', 'T', 'U', 'V', 'W', 'X', 'Y', 'Z'.

Table with multiple columns listing stock prices, including symbols, company names, and prices. Includes sections for 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H', 'I', 'J', 'K', 'L', 'M', 'N', 'O', 'P', 'Q', 'R', 'S', 'T', 'U', 'V', 'W', 'X', 'Y', 'Z'.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 18 March 1987

Table listing international funds with columns for fund name, share price, and other details. Includes sections for 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H', 'I', 'J', 'K', 'L', 'M', 'N', 'O', 'P', 'Q', 'R', 'S', 'T', 'U', 'V', 'W', 'X', 'Y', 'Z'.

Floating-Rate Notes

Table listing floating-rate notes with columns for currency, issuer, and other details. Includes sections for 'Dollars', 'Deutsche Marks', 'Japanese Yen', and 'Pounds Sterling'.

CURRENCY
Dollar
British Ba
Wednes
OI
NASDAQ
New York
Gillette Exercises Option
For 51.2% of Waterman
Paris - Gillette Co. of the United States has exercised an option to take a 51.2 percent stake in the French pen company, Waterman SA, the French Stockbrokers' Association said Tuesday.

سكان العمل

CURRENCY MARKETS

Dollar Slips in Europe, Pound Rises

LONDON — The dollar lost a little ground in quiet European trading Wednesday against most major currencies. The British pound was sharply higher.

Table with 3 columns: Country, Rate, % Change. Includes Deutsche mark, French franc, Swiss franc, and Japanese yen.

The dollar slipped to 1.8365 Deutsche marks at the close in London, from Tuesday's close of 1.8375 DM. It ended at 151.90 Japanese yen, just off its Tuesday close of 151.95, and at 1.5375 Swiss francs, off from 1.5388.

The pound, however, strengthened to \$1.660, its highest closing level in London since May 1983. Dealers said the British currency was bolstered by the Bank of England's evident caution in sanctioning only a half-point cut in base lending rates in the aftermath of Tuesday's budget.

Dealers said trading in the dollar had pursued the trend established since last month's Paris agreement on currency stabilization by six leading industrial nations.

Most investors and speculators remained convinced that central banks were ready to step in to keep the dollar from moving more than a few pennings up or down from current levels, dealers said.

Dealers said sentiment continued to be bearish on the dollar, but the market might have to wait until the next set of U.S. trade figures in April for an opportunity to force it decisively lower.

Dealers said the market still appeared reluctant to test the Paris agreement, keeping the U.S. currency within a narrow range between 1.83 DM and 1.87 DM.

U.S. Seeking Greater Control Of IADB Loans

Washington Post Service

WASHINGTON — Treasury Secretary James A. Baker 3d has said that the United States and Canada, voting together, should be allowed to block loans to Latin American nations by the Inter-American Development Bank to prevent "abuses" in lending.

Acknowledging a dispute between the North American nations and the other IADB countries, he said Tuesday that the issue remained unresolved before the bank's annual meeting this weekend in Miami.

Mr. Baker, testifying before a subcommittee of the House Appropriations Committee, said the United States was unhappy with "the lack of conditionality" of some IADB loans.

The United States proposes that 35 percent of the voting power in the bank, rather than a majority, be required to block a loan.

The United States has 34.5 percent, Canada 4 percent.

U.S., Europeans Call Airbus Truce

By Axel Krause International Herald Tribune

PARIS — The Reagan administration and the four West European government sponsors of the Airbus Industrie aircraft consortium, on the eve of a GATT meeting, have agreed to a truce in their dispute over what the U.S. government has contended are unfair subsidies to Airbus.

Speaking separately Wednesday, U.S. and European government officials said they were shelving threats of trade retaliation and would focus on a two-day meeting of the civil aircraft committee of the General Agreement on Tariffs and Trade.

The GATT meeting was to begin Thursday in Geneva. The committee's 22 members will take up only a U.S. proposal to determine whether the GATT agreement on aircraft trade applies to previous complaints about Airbus. Trade officials in Geneva said this reflected a "highly technical, lowest-key" approach.

Earlier in Paris, the U.S. trade minister, said in Paris that the Airbus partners — France, Britain, West Germany and Spain — were committed to a "serene, dispassionate" approach in the GATT talks.

He said he welcomed Washington's attitude, although he stopped short of describing it as a truce.

"Let's say we now have a discussion going instead of confrontation," he said.

Earlier in Geneva, S. Bruce Smart, assistant U.S. trade representative, issued a statement making clear that Washington was not now planning to file a GATT complaint against Airbus.

"Some have interpreted our request for a committee meeting as a first step to institute a dispute settlement procedure, but that interpretation is not correct," the statement said. The U.S. cabinet

decided Feb. 13 that the dispute be handled within GATT, the international agency that monitors trade.

"What we want is stronger ground rules covering subsidies to Airbus and other sectors of the world civilian aircraft industry, meaning we want clarification in the GATT agreement, which is very vague," a U.S. diplomat said.

The aircraft agreement was signed in 1979.

If the United States does not obtain a satisfactory agreement, officials said, it could still file a complaint over Airbus subsidies, seeking damages. That would require proving that the subsidies — legal under GATT rules — have caused damage to Boeing Co. and McDonnell Douglas Corp.

The Europeans have argued that government financing for Airbus takes the form of interest-bearing loans that are being repaid by participants.

Limits Agreed On Export Loans

Agence France-Press

PARIS — Major industrialized countries, after three years of wrangling, have agreed to greater limits on using foreign aid to promote exports.

U.S. officials said the accord, announced Tuesday, had "closed a loophole" by making it more expensive for industrial countries to use "mixed credit" packages combining loans at market rates with official development aid.

Under the changes in the code of conduct sponsored by the 24-nation Organization for Economic Cooperation and Development, the minimum aid component in mixed credits would be raised to 35 percent from 25 percent in the 12 months beginning in July.

British Banks Cut Base Rates Again, to 10% From 10.5%

By Warren Getler International Herald Tribune

LONDON — Britain's major commercial banks cut their base lending rates Wednesday by a half-point to 10 percent.

The chancellor of the Exchequer, Nigel Lawson, said the banks' move was a "reasonable response" to the sharp £3 billion drop in the government's budget deficit target for 1987-88 announced Tuesday. That £3 billion is equivalent to \$4.8 billion at current exchange rates.

Expectations on Tuesday after Mr. Lawson's budget presentation had been for a full-point base-rate cut by British banks to 9.5 percent.

The Financial Times 100-share index closed Wednesday at 2,006.6, up only marginally from 2,006.3. Analysts cited profit-taking and some disappointment that interest rates had not dropped a full point as grounds for the stock market not having closed higher in reaction to the budget.

Analysts said the British banks were taking a cautious approach to rate trimming. They said the banks were waiting to see how capital markets would react to the budget proposals, which include £2.5 billion worth of tax relief.

They predicted, however, another half-point cut in the base rate by the end of next week.

The Bank of England appeared to encourage an initial half-point base-rate cut Wednesday rather than a full-point trim when it lent two week cash to British discount houses at a lower 10 percent rate.

Picking up on this cue, all four major clearing banks trimmed their base lending rates a half-point to 10 percent, the second half-point cut by the banks in nine days. The four banks are Barclays Bank PLC, National Westminster Bank PLC, Lloyds Bank PLC and Midland Bank PLC.

On May 9, the banks cut their base rates to 10.5 percent from 11 percent, the first parting of base rates since May 1986.

At a press briefing Tuesday, Mr. Lawson said the banks "were right to be cautious, there's no need to rush anything."

The Treasury chief stressed that he had no target for British interest rates but said he hoped they would decline gradually.

He said he was "perfectly content" with the banks' current exchange rate.

The pound closed higher in European trading Wednesday, at \$1.660 from \$1.5978 on Tuesday. Despite the two base-rate cuts this month — which normally would weaken the pound by making investment in pound-denom-

inated securities less attractive — the pound has held its ground and, in fact, gained against the dollar and the Deutsche mark.

"Sterling will stay strong as long as the Conservatives stay strong," said Bill Martin, chief U.K. economist for Phillips & Drew, the London stockbrokerage.

The latest publicized poll showed Prime Minister Margaret Thatcher's Conservative Party 9 points ahead of the Labor opposition. A national election must be held by July 1988, but expectations are for an earlier ballot.

Mr. Lawson said it was "conceivable" that Britain and West Germany were seeking to stabilize the pound and the Deutsche mark in a trading range, which he declined to specify.

Asked why rates in Britain were still considerably above rates of 4 percent in Japan and West Germany and 6 to 7 percent in the United States, he said Britain does not have "as long a track record on low inflation" as those countries.

Another explanation for relatively high interest rates in Britain, he said, was that "control of credit has to rest entirely on interest rates," in this country because of the complexity and openness of its financial markets.

PHILIPS: Dutch Giant Will Challenge Japanese in U.S. Electronics Market

(Continued from first finance page)

work activities," said Mr. van der Klugt. He said that certain Philips divisions — he declined to say which — would be shifted to the United States in the next few years, while some American managers would be transferred to foreign posts.

The turn toward America is the linchpin of Philips' broader strategy of taking former control of the company's far-flung and independent-minded units. Ever since the company, founded in 1891 by Gerard Philips, ventured beyond Dutch borders, its foreign operations have enjoyed a large degree of autonomy. A premium was set on local production while central planning took a back seat.

The result, in part, is that Philips is now headed with about 430 factories worldwide that make almost anything that can be plugged into a wall. The company used to boast about this versatility, but now wants to narrow it. Already, some chemical, cable, wiring and welding businesses have been sold, and more divestitures are being readied.

Philips apparently has little choice. "They feel that unless they

can centralize their planning functions, they will be picked off piecemeal by the Japanese," said William Coleman, a financial analyst at the London brokerage James Capel & Co.

Philips is trying to capitalize on its strong points, such as consumer and professional electronics, by pouring money into those sectors.

States in magnetic-tape and optical-media projects. "You can name any central activity of Philips," said one Dutch analyst, "and they will have a joint venture in it."

Still, analysts are not sure that Philips can turn the tables on the Japanese in the United States. The experts point out that Philips has always had a difficult time market-

ing its high technology breakthroughs.

The company invented the videocassette recorder and compact disk, but has been virtually driven out of the VCR market and forced to share the CD market with Japanese manufacturers.

Philips' marketing problem may be reflected in the wide range of brand names under which its products are sold in the United States. For example, the company offers

consumer electronics under the names of Magnavox, Sylvania, Philco, Nordco and Philips. Light bulbs still are sold under the Westinghouse name, although that is being changed.

Moreover, the company, which has followed a unique policy of cooperating with Japanese companies in setting product standards, faces a major quandary over digital audio tape. Philips is trying to persuade the Japanese to delay introducing DAT, which has the same sound quality as compact disks but is smaller, cheaper and can be erased.

Regardless of the outcome of the DAT controversy, Philips plans to battle the Japanese in the United States. It does not intend to fade away as most U.S. electronics companies did in the past two decades.

"U.S. manufacturers have completely misunderstood what this consumer electronics business means for electronics in general," said Mr. van der Klugt. "The lines between consumer electronics and professional electronics are becoming vaguer and vaguer."

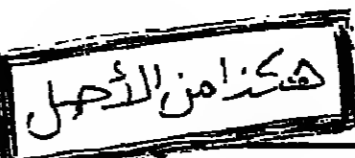
"If you lose your place in consumer electronics," he said, "the Japanese will clobber you in the professional field."

'If you lose your place in consumer electronics, the Japanese will clobber you in the professional field.'

— Cornelius van der Klugt, Philips' president

Wednesday's OTC Prices

Large table with multiple columns listing stock prices, volume, and other financial data for various companies. Includes sections for 12 Month High/Low, Div. Yld., and various stock symbols.



SPORTS

Leonard: With Hagler Weeks Away, Time's the Question

By Dave Anderson

HILTON HEAD, South Carolina — As soon as Sugar Ray Leonard had hopped into the ring to shadow-box...

But now, for an \$11 million guarantee and with the approval of several eye specialists, he is training here inside a heated white tent pitched behind the kitchen of a hotel.

Sparring over, Leonard battered the heavy bag, then skipped rope. After a series of slow sit-ups, he put on a white bathrobe.

second fight after a 31-month layoff, he lost a 10-round decision to Ralph (Tiger) Jones, then needed four more bouts in 1955 before he was ready to dethrone Bobo Olson as middleweight champion.



'Everybody asks me about rust, but rust will affect Hagler, too. He's older. He's been through wars.'

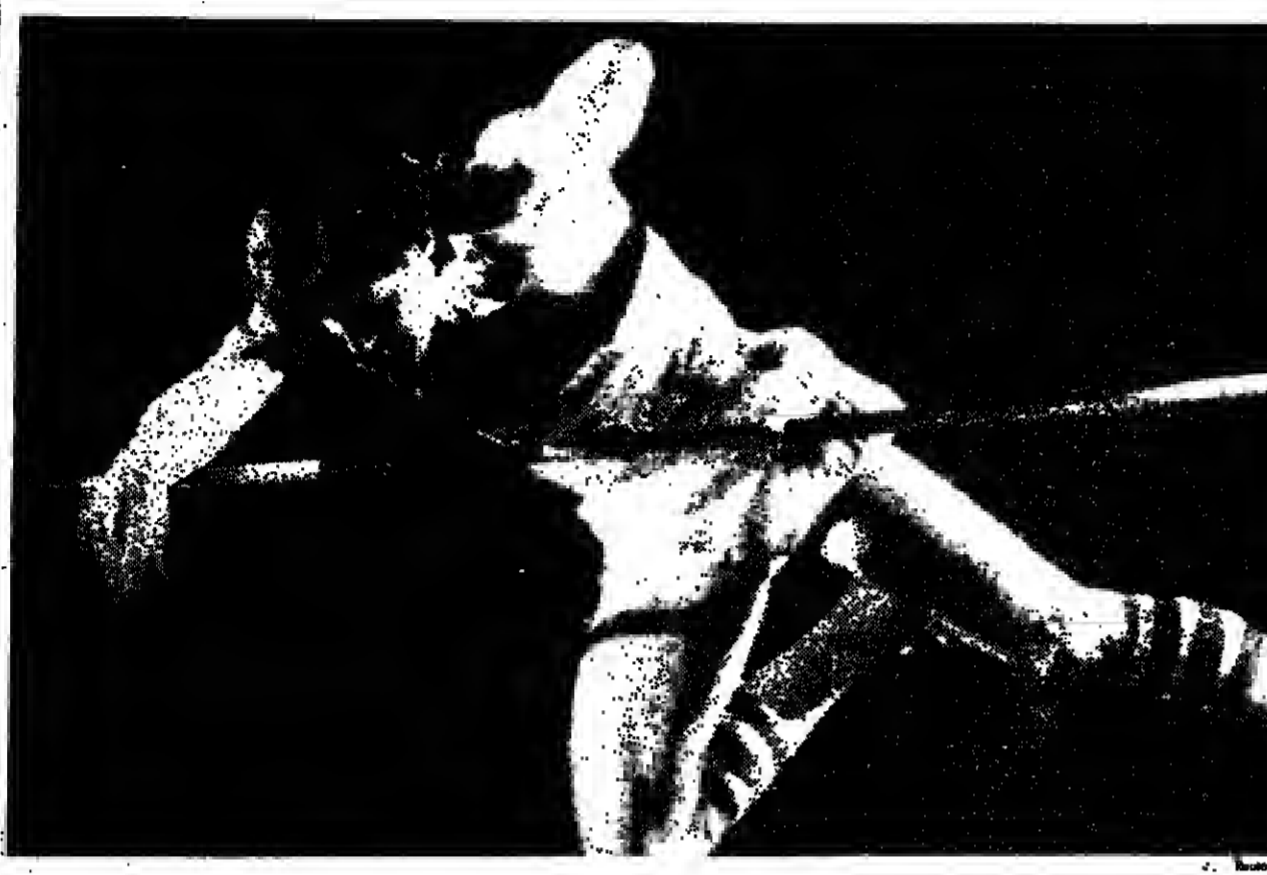
—Ray Leonard

La Salle Beats Niagara in NIT

BUFFALO, New York — Larry Koretz scored all of his 17 points in the second half Tuesday night as La Salle beat Niagara, 69-61, in a National Invitation Tournament second-round game.

COLLEGE BASKETBALL

point shots in the first 3:22 of the second half and his team held a 52-44 lead with 15:43 to play. Then Niagara rallied, with Gary Bessert tying the score at 69 with 4:39 left before a field goal and three free throws by Craig Conlin put La Salle up, 79-74, with 1:33 to go.



Bubka Again Sets Pole Vault Mark

United Press International

TURIN — Sergei Bubka of the Soviet Union, competing against his better judgment, broke his world indoor pole vault record Tuesday night, vaulting 5.97 meters (19 feet 7.5/32 inches) to improve his mark by one centimeter.

Kerr, Flyers Keep Streaking Onward

United Press International

PHILADELPHIA — Tim Kerr, who has the on-ice style of Phil Esposito, joined an exclusive club Tuesday night against the team Esposito now coaches.



Tim Kerr

On North Carolina's Team, J.R. Stands for Just Remarkable

By John Feinstein

CHAPEL HILL, North Carolina — It was in the summer of 1984, a sticky night in Princeton, New Jersey, North Carolina University assistant basketball coach Eddie Fogler was nervous. His boss, Dean Smith, was on route and Fogler wanted everything just right.

a strong body and he played with a maturity that impressed everyone. The Carolina coach arrived and Fogler held his breath as Smith watched Reid swoop and soar.

the fashion trends back home in Virginia Beach, Virginia. Part of it is that, as the son of two school teachers, Reid is more articulate than most 18 year olds, although he chooses his words as carefully as any good Carolina freshman.

SCOREBOARD

Hockey

Table with NHL Standings, including columns for team, wins, losses, points, and goals.

Basketball

Table with NIT Results, Schedule, including columns for team, score, and date.

Golf

Table with PGA Leaders, including columns for player name, score, and tournament.

NCAA Tourney Leaders

Table with National Basketball Association Standings, including columns for conference, team, and record.

It's Kiner to Rizzuto, and Off the Wall

Diamond Gems From 'Baseball... A Laughing Matter'

Los Angeles Times Service LOS ANGELES — The announcer of the New York Mets' games, Ralph Kiner, calls them as he sees them, but now and then something gets lost in the description.

Transition

BASKETBALL National Basketball Association center, on the suspended, Alvin Robertson, says he is not in the league.

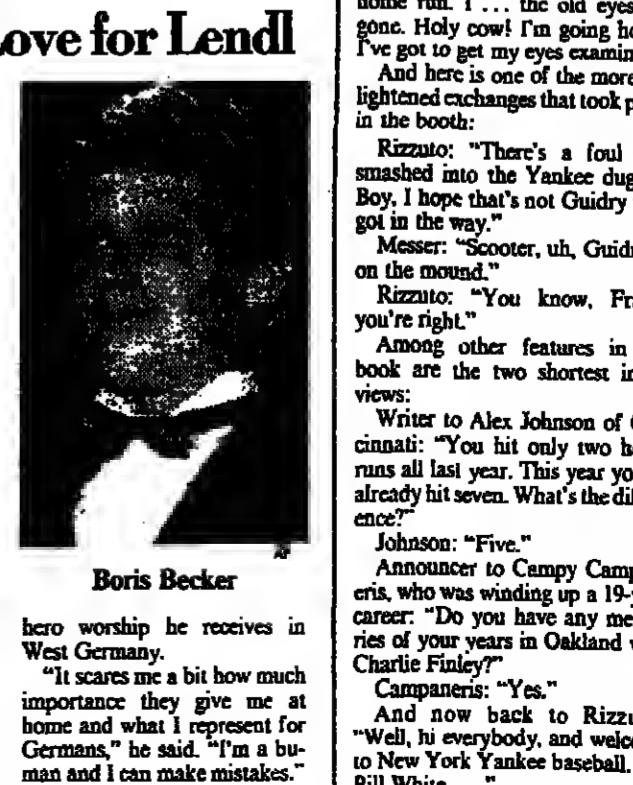
European Soccer

CHAMPIONS' CUP (Continued) Dynamo Kiev 2, Borussia Dortmund 1; Dynamo Kiev advances to 7th European Cup.

Exhibition Baseball

TUESDAY'S RESULTS Montreal (1) 3, Atlanta 5; Baltimore (1) 7, Montreal 5.

Advertisement for 'No Love for Lendl' featuring Boris Becker and text about tennis matches.



Boris Becker

